

At present, however, no such imports have been licensed and consequently no question of payment arises.

**See Back Page For  
Further Late News**

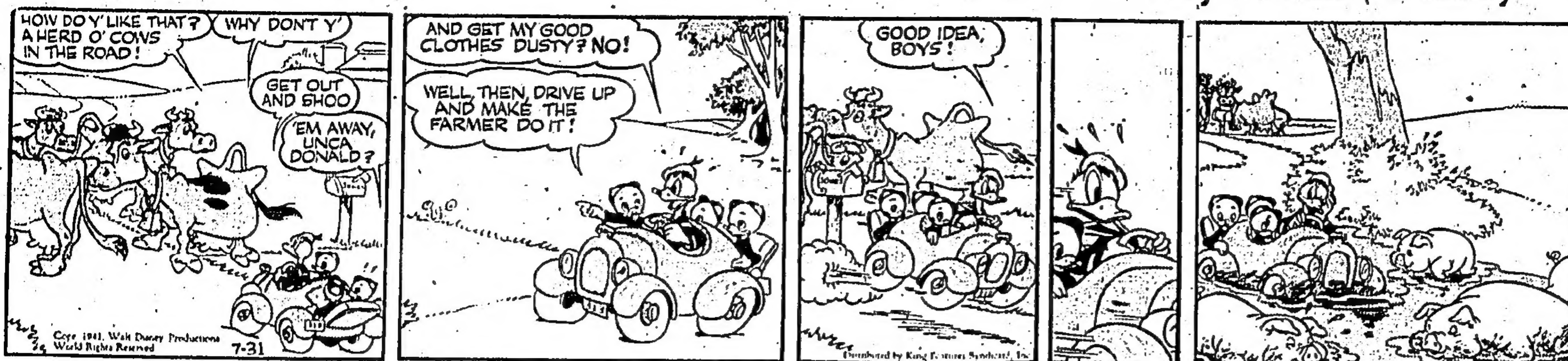






# DONALD DUCK

By Walt Disney



## CONTRACT BRIDGE

How to Play AND How to Win

By JOSEPHINE GULBERTSON

Lying in Ambush

WHENEVER the bidding indicates that the opponents are headed straight for trouble, it goes without saying that no obstacle should be put in their path. Silence at the right points is one of the greatest virtues at the bridge table.

South dealer.  
Match-point duplicate.  
North-South vulnerable.

♠ 9 8 7 3 2  
♥ 10 6 4 3  
♦ A J 10 7 5  
♣ K 4

♠ A K Q J  
♥ A J 10 9 8  
♦ A J 10 9 8  
♣ A Q 7

The bidding:  
South West North East  
1 ♠ Pass 2 ♠ (?) Pass  
2 ♠ Pass 3 ♠ Pass  
3 ♠ Pass

I need hardly point out that North's two heart responses was horrible beyond words. With only one queen in his hand, and no spade fit, North could not afford to open his mouth, except to pass. The fact remains that in a recent duplicate game one North player actually bid as recorded. By doing so he gave East a beautiful opportunity for silence. East knew that the two heart bid was forcing for one round. Therefore South was bound to rebid. East was prepared to slaughter spades, hearts, or diamonds, and could even take a chance with clubs if the necessity arose. He hoped, of course, that the opponents would go higher than the two level, but when the two spade bid was passed by West and North, East reflected that a little was better than nothing, and promptly doubled.

West decided that a heart opening was as safe as any, and led the ten-

spot. Dummy and East ducked and declarer won. A diamond was led toward dummy's singleton. West ducked, and East won with the ten. East now made matters as difficult as possible for declarer by returning a low spade. Declarer could have saved a trick by letting this lead ride to dummy's nine, but (as East foresaw) this would be a very dangerous play. If West had either trump honor he would win and return a trump, and then declarer would be unable to ruff even one diamond. Although South suspected that East had both the king and queen, he could not be at all sure of it. East might, for example, hold the diamond ace as part of his double. Hence, declarer could not be criticized for putting up the spade ace, in order to make sure of one diamond ruff.

After ruffing a diamond, declarer led a club and captured East's king, then laid down the spade jack. East won and returned a diamond. Declarer was "forced" and was so reduced in trumps that he never could protect his own club queen from a seven tricks, and East-West garnered a 500-point penalty simply because: (a) North made a horrible response, and (b) East knew when to pass.

To-morrow's Hand  
North dealer.  
East-West vulnerable.

♠ A K J 9 3 2  
♥ 7 5 4  
♦ K 7 3  
♣ 4

♠ 10 8  
♥ A J 10 8  
♦ A J 9  
♣ 10 6

♠ 7 6  
♥ K Q 9  
♦ 10 8 6 4  
♣ K J 7

How should East defend against South's three notrump contract? Opening lead heart jack.

## FREE FRENCH ARE WELCOME IN THE MIDDLE EAST

From A Baghdad Correspondent

The declaration of General Catroux in the name of Free France, pledging Syria her independence and freedom, supported by the proclamation of the British Government guaranteeing that pledge, has distinctly heartened the Arabs of the Middle East.

On the other hand, the fact that Syria had been forced to become a battleground grieved fellow Arabs.

The Iraqi, who endured a month of fighting in their own territory on a much smaller scale than in Syria, know to their cost the suffering which war brings in its wake.

Syria will benefit by the victory of the Allies, not only politically but also economically.

As is well known, the country had been heavily hit by the British blockade and her economic life was virtually at a standstill. The re-establishment of commercial relations with her neighbours and the outside world will bring about her immediate revival.

She will certainly benefit by joining the bloc of other Arab countries who stand by Britain and thus will be able to re-build her future.

### Honour Is Restored

The pledge given to the Syrians by the Free French leaders, Generals de Gaulle and Catroux, has helped Free France to regain a great deal of the prestige lost by France in Arab countries.

This loss of prestige was due not only to the collapse of France last year, but also to her policy in Syria in the years immediately preceding the present war.

When in September 1936 the Franco-Syrian Treaty was concluded in Paris and accorded Syrian independence on the same basis as the Anglo-Iraqi Treaty of 1930, every Arab rejoiced to see that the fifteen-year-old quarrel between France and the Syrians was finally ended.

France as a Muslim power, governing millions of Arabs, possessed great prestige in Arab eyes. As with most other nations, the Arabs felt a strong sympathy with France in her difficulties.

Nevertheless, the breach of faith and, even worse, the repudiation of the signatures given by those same people who now rule in Vichy, has embittered many an Arab and made enemies of those who were formerly the staunchest friends of France. It was therefore with great satisfaction that the Arab world learned that the Free French of General de Gaulle does not intend to follow the footsteps of Vichy.

The only possible means of restoring the prestige of France by honouring the promise given by her governments at varying intervals during the last twenty years have now been taken.

Before the 1914-1918 War, France was considered in the same degree as Great Britain as the protector of the Arabs of the Levant. It was in Paris as far back as 1905 that the first association for

Treaty was concluded and Syria was at last to become an "independent and sovereign state." She was to enter as a free member of the League of Nations at the end of 1939.

Unfortunately, intrigues of a personal character intervened.

Men of the type of M. Henri Haye, the present Ambassador of Vichy in Washington and at that time Rapporteur of the Franco-Syrian Treaty in the French Senate, and M. Georges Bonnet, then Minister of Foreign Affairs for France, denied in December 1939 the guarantee given earlier that the Treaty would be ratified not later than January 31, 1939.

The first clash after the last war came between King Feisal and General Gouraud.

After the unhappy revolt of 1925, which brought the grievances between the French and the Syrians to their climax, a moment of hope came with the arrival in 1926 of the first civilian High Commissioner in the person of M. Henri de Jouvénal. He saw immediately that, in spite of all that had happened, there still existed a strong sympathy for France.

That sympathy could be rekindled provided that the Mandatory Power satisfied the legitimate demands of the Syrians.

M. de Jouvénal therefore made the first suggestion of a Franco-Syrian Treaty, fostering a permanent peace in the country by the granting of "national independence" with France remaining thereafter only as a "counsellor and guide on the road of modern progress."

This idea was taken up by almost all French Governments until 1936, when, after renewed troubles, a Treaty on the model of the Anglo-Iraqi

The Arab world was delighted at this understanding and France was hailed as the great Muslim Power.

Thus Syria entered the war still under the Mandate of France and trammelled by her sad destiny.

After the French collapse of last June, many Syrians would have liked the assurance provided by an immediate British occupation of their country.

Great Britain declined, however, to take advantage of this desire even when, during the few days following the French collapse, the military and civilian administration expressed a desire to join the British in their fight against the Nazis.

Nobody, therefore, was surprised to hear the declaration by Mr Churchill in his recent speech in the House of Commons that "Great Britain has no territorial designs in Syria."

Now that Great Britain and Free France have declared the independence of Syria, every Arab may justly hope that this country—regarded in the Middle East as the "cradle of Arab nationalism"—has finally achieved its great ambition.

## RADIO

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H.K.S.T.  
12.15 p.m. Short Service of Intercession.  
12.30. Dance Music.

1.0 Local Time Signal and Programme Summary.  
1.02 Excerpts from Gilbert and Sullivan's Opera.  
1.04 The Pirates of Penzance; "Iolanthe."

1.30 Reuter and Rugby Press and Announcements.  
1.45 Wish Wynne and Jack Warner in Variety.  
2.15 Close Down.

6.0 Indian Programme.  
6.45 Closing Local Stock Quotations.  
6.47 Kenny Baker, Judy Garland, Warner and Darnell, Harold Ramsay, Baldwin and Howard in Variety Programme.

7.30 Popular Dance Music.  
8.0 London Relay—The News.  
8.15 London Relay—War Commentary.  
8.25 London Relay—Listening Post.

Examination of Points in Daily German Propaganda.  
8.30 Programme Summary.  
8.32 A Mozart Song.

Within These Sacred Walls (from "The Magic Flute")... Ivar Andersen (Bass) with Orchestra.  
8.37 Mozart—Symphony in D. No. 35.

Allegro con Spirito—Andante—Minuetto and Trio—Finale... The Halle Orchestra cond. by Sir Hamilton Harty.

9.0 Local Time Signal and Announcements.  
9.02 Studio—"To-night We Present": The Philadelphia Symphony Orchestra.

A Programme arranged by John Abbott.  
9.45-10.0 News in French (on Short Wave Only).  
9.45 The Bournemouth Municipal Orchestra.

The Two Imps (Alford); Dancer Of Seville (Grunow); Echoes Of The Valley (Jean Gennin); The Merry Melodics (Brooke).  
10.0 London Relay—The News and News Commentary.

10.15 "Band Waggon" with Arthur Askey, Richard Murdoch and Others. Recorded by kind permission of the B.B.C. from an actual broadcast.  
10.38 Folk Songs and Music.

Folk Songs from Somerset (from "English Folk Songs—Suite"); (Williams, arr. Jacob)... Columbia Broadcasting Symphony Orchestra; The American Square Dance (Reel Time)... Folk Dance Orchestra; Happy Swiss Memories (arr. Elzet).

Swiss Ensemble; Fantasia On Norwegian Folk Songs—Intro: The Wrong Way Song; Pal, His Hens; I Know A Little Lass; In The Church; In Lonely Times; Springer (arr. Holland)... Norwegian Light Symphony Orchestra.  
11.0 London—"War Correspondents"—Alan Bell.  
11.15 Close Down.

NOTICE  
DEFENCE REGULATIONS 1940

The following rates will be charged for mailing single copies of the following newspapers abroad:—

South China Morning Post  
China and Macao  
16 cents per copy  
British Empire and Foreign  
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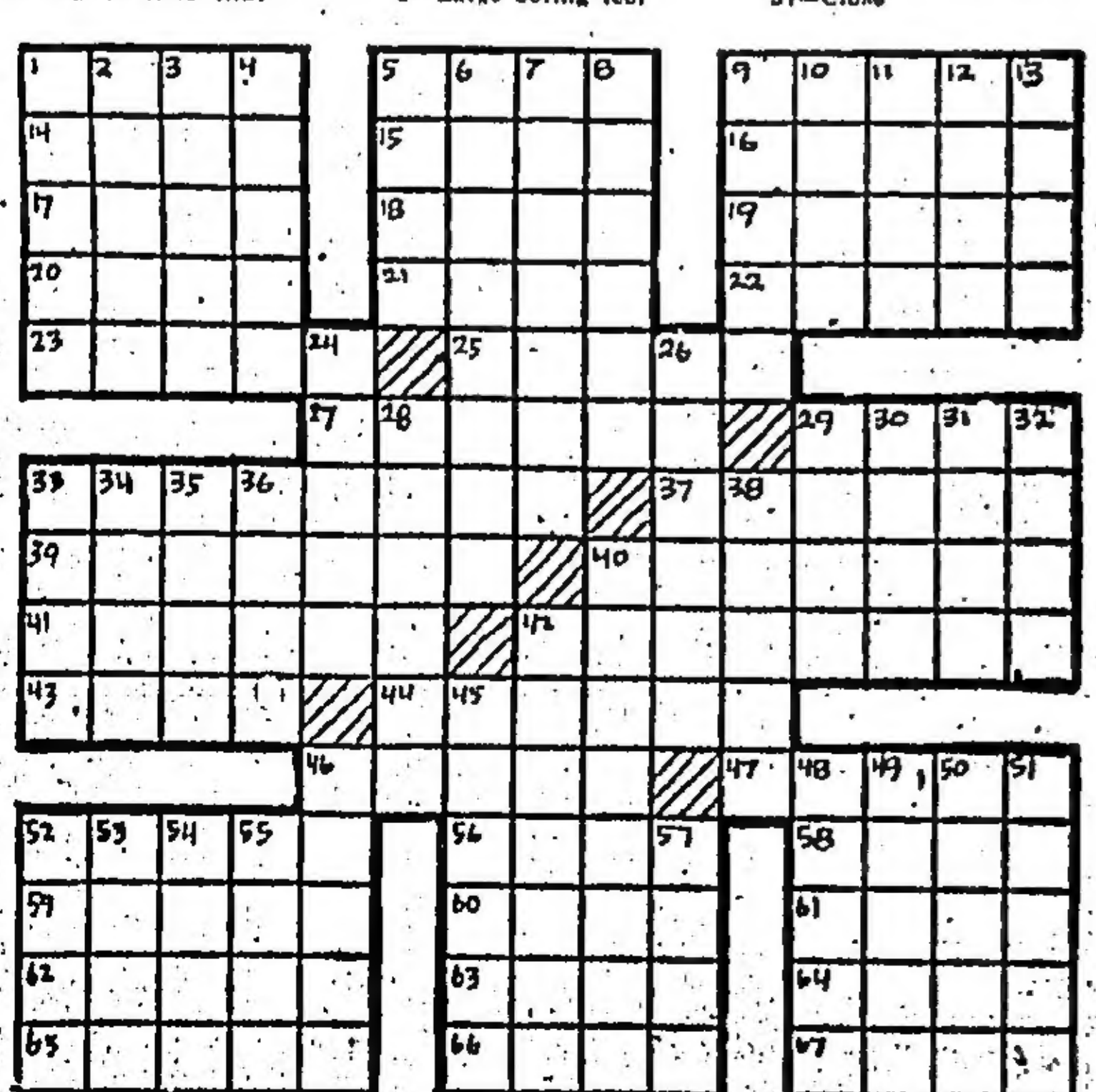
## Crossword Puzzle

By LARS MORRIS

ANSWER TO PREVIOUS PUZZLE

ACROSS  
1—Boothling application  
2—Sound of rippling stream  
3—Birds together with sharp sound  
4—Control by influence  
14—Mental image  
15—Index of rank  
16—Biblical name  
17—Low slope directly under roof  
18—Outwardly manifest  
19—Men's nickname  
21—Small amphibians  
22—Living toothed mammal  
23—Yew  
24—Shallow Roman fish  
25—One of Celtic tribe  
26—Sanctioned  
27—Lancous rock  
28—One who displays in conspicuous manner  
29—16th century collar (obsolete)  
30—Cuckoo  
31—Joke distant in relation  
32—Huller of Tunis  
33—Amounted to in weight  
34—Come near  
35—Lying to same place  
36—Girl's name  
37—Pertaining to Greek letter  
38—Up to time that

DOWN  
1—Noise god of poetry  
2—Large bovine tool  
3—Pint treeless plain  
4—Ponds  
5—Bread from continents  
6—Of more recent date  
7—Natho oneself  
8—In how way  
9—Jitterspotfully forward  
10—Adulterous  
11—Title of poem (French)  
12—Believed  
13—Eas (dial.)  
14—Nebraska Indians  
15—Initiated  
16—Wan  
17—Rustic  
18—Hedonism  
19—Bridal  
20—Dance music  
21—Kind of yarn  
22—Breathing holes  
23—Proposition  
24—Wan  
25—Make expiation for  
26—Rustic  
27—Grasp rudely  
28—Angry counting  
29—Head, as of barley (Prov. Eng.)  
30—Unit of currency  
31—Close



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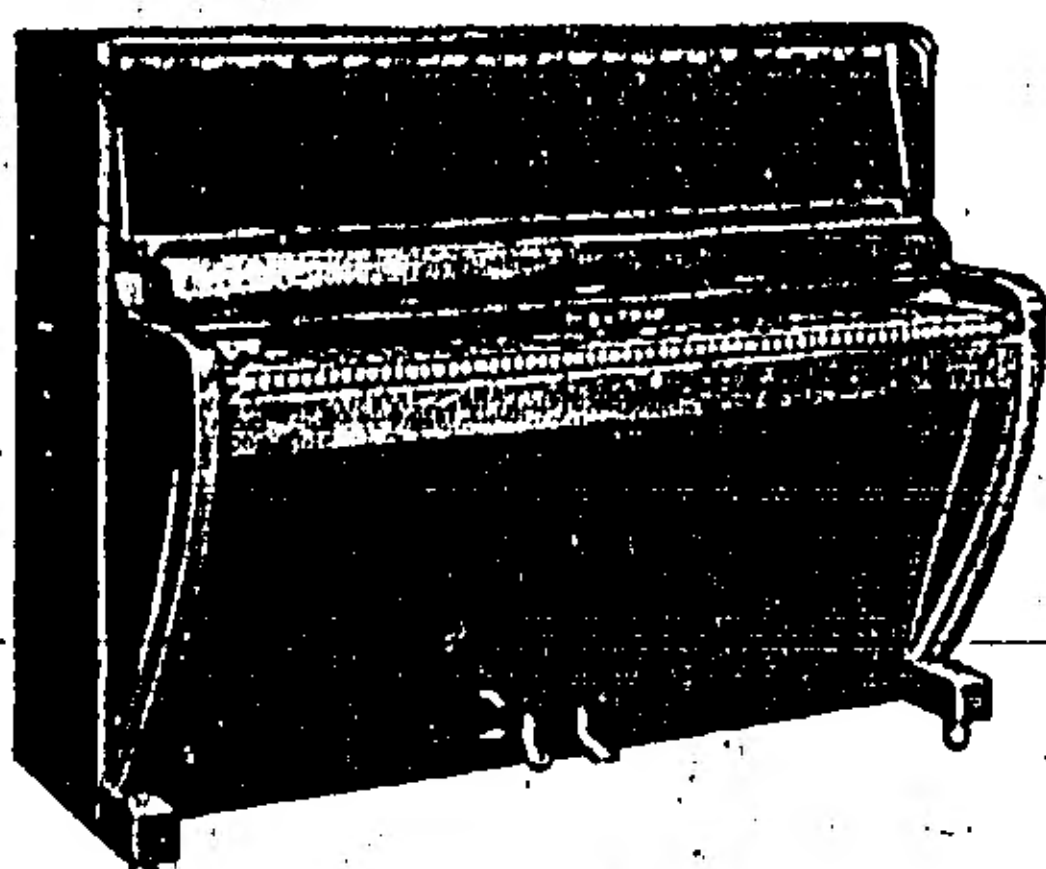
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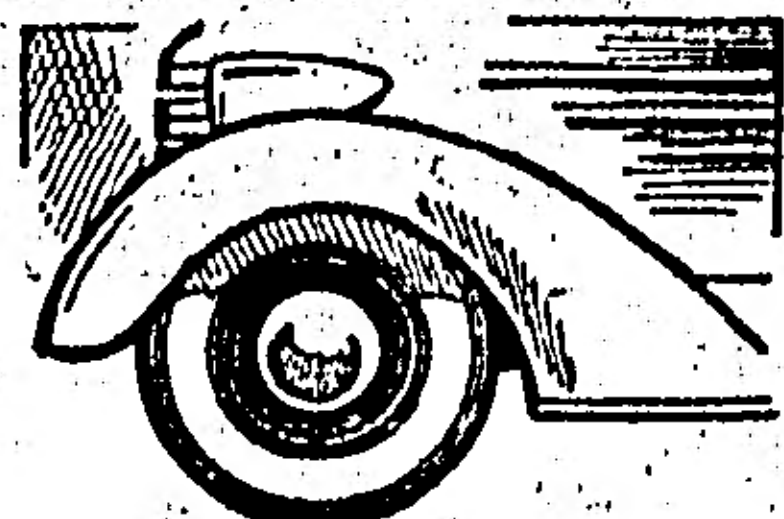
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Thursday, Sept. 11, 1941.

Wyndham St., Hongkong

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### U.S.-JAPAN TALKS

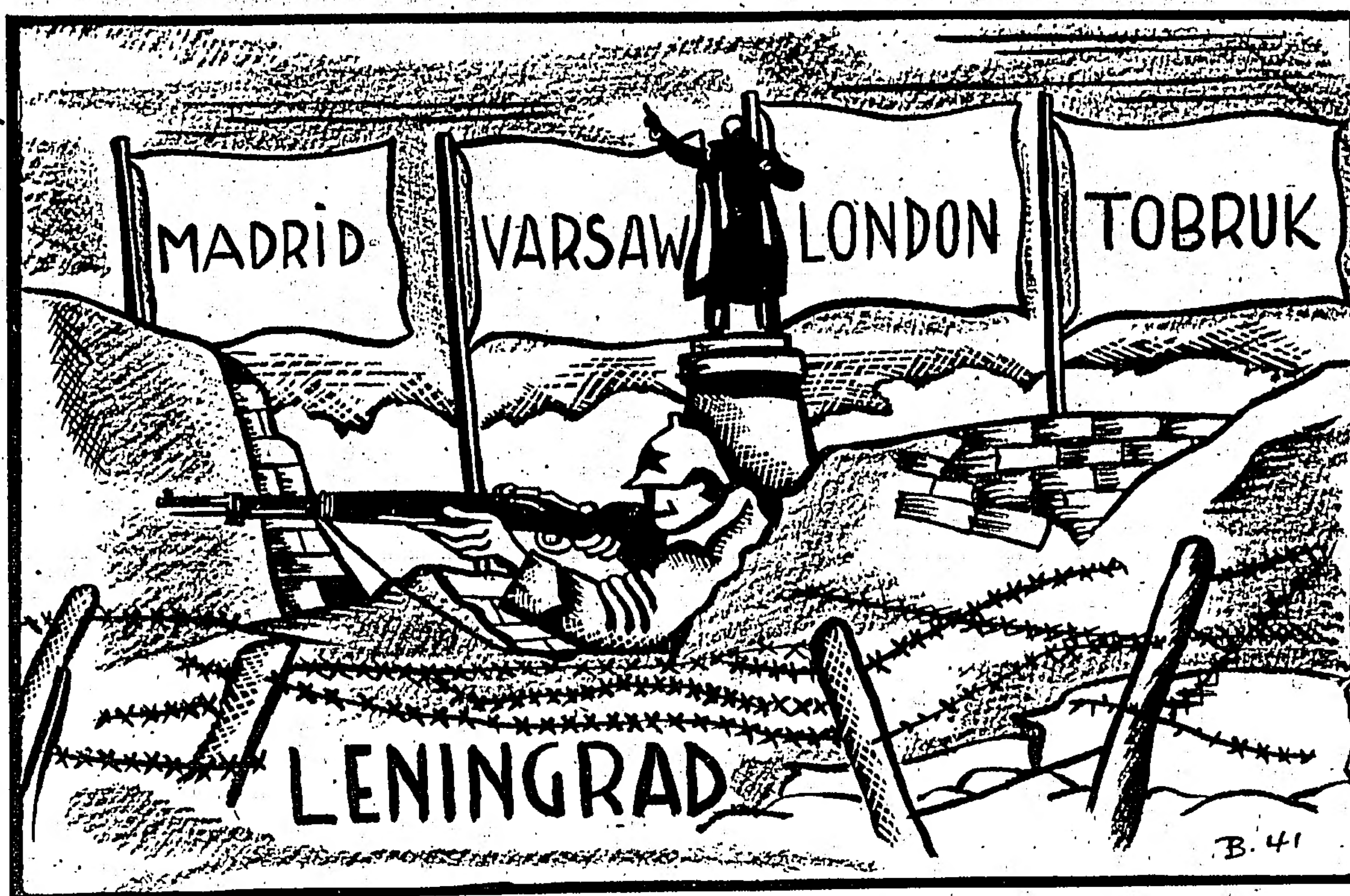
**SELDOM** if ever before has so little been known about such momentous negotiations as those which are now being carried on between Tokyo and Washington; their very secretiveness gives them added drama and importance and the entire world is anxiously and a little impatiently waiting for the pronouncements by President Roosevelt and Prince Konoye which, it is believed, will go a long way towards clarifying the obscure and threatening situation in the Pacific.

Hongkong has a very direct interest in the outcome of the U.S.-Japan talks, particularly in view of the hints thrown out during the last few days that they may result in Japan withdrawing from the Axis and aligning herself more with America and Britain. The immediate reaction to such a possibility is whether it will make possible the lifting of the evacuation restrictions, for, as our late Governor, Sir Geoffrey Northcote made clear in public statements, the position will be reviewed in the most favourable light possible once the political situation has become clarified in the Far East.

But it would be unwise to become too optimistic about the Tokyo-Washington conversations, for the issues at stake concern not Japan and America alone, but Britain, China and the Netherlands East Indies; wherefore any concessions which Japan might be prepared to make must take into consideration the interests of these last three named countries. Additionally, it is doubtful whether the Konoye Cabinet can attempt such a political volte face as overthrowing the Axis without causing serious repercussions internally—repercussions which may completely undo any useful work which the current negotiations accomplish. A further point which makes any deal delicate is what sort of *quid pro quo* does Japan expect and what is America likely to offer.

The lifting of economic sanctions by the democracies for the total abandonment of the Axis may satisfy Japan, but Britain, the United States and the N.E.T. will probably require

### THEY ARE NOT ALONE



By Billiken

## SPOTLIGHT ON TOKYO TODAY

### Foreigners' Irksome Existence

BY H. O. THOMPSON

This is the fourth article in this new series by the former Tokyo Manager of the United Press. In the concluding article to-morrow, Mr Thompson will write on some of the effects of the economic measures recently applied against Japan and her possible next move.

The life of foreigners in Japan to-day is in shocking contrast to the life of ease and luxury once regarded as a symbol of residence in the Far East.

It is a life where procurement of even the simplest things means worry, toil and mounting expense. Shoes, cotton materials, suitable clothes, all imported articles such as special foods, toilet requisites or tobaccos, are unobtainable.

Theoretically, a foreigner is still entitled to import 50 yen worth of merchandise each month, provided the articles are not on the banned list, but in practice it does not work out that way. Permits are required and that entails red tape, delays and often frustration.

The activities of the Japanese police and gendarmes, who are constantly checking on foreigners, provide annoyance, irritation, mental or physical discomfort, depending on the individual. The police department's parting salute to me was to break open a locked brief case in my cabin while I was watching the ship's departure from the promenade deck.

### AMERICAN WOMEN

The American community in Tokyo and Yokohama has dwindled from about 2,000 to a few hundred, mostly businessmen, Embassy officials and other employees, a few newspapermen and some whose careers are linked with Japanese activities.

There are only three women on the American Embassy list left in Tokyo. Mrs Joseph Clark Grew,

other assurances, such as renunciation of further aggressive designs; even the withdrawal of Japan's troops from southern Indo-China and the Tripartite Pact on the part of Japan will not in itself mean that she has given up her Greater Asia Co-Prosperity Sphere plans. It is dangerous to assume that only as an Axis partner will Japan continue with her scheme; hitherto all her actions on the continent have been made independently, and it will need a tangible display of good faith beyond the renunciation of the Tripartite Pact to convince that she is willing to give up her imperialistic ambitions.

wife of the Ambassador, is one of them. The others are Mrs Henri Smith-Hutton, wife of the Naval Attache, and Mrs Stanley Slavens, wife of the American Consul.

There are also half a dozen girl secretaries and code clerks, employees of the State Department.

Virtually all the wives of American businessmen have taken themselves and their families back home. The men who are left are doubling up in bachelor messes, getting along as best they can and counting the days until they can get away.

Wives of American army officers attached to the Embassy were ordered out of Japan two months ago. The Navy personnel consists of single men, except for the Attache himself.

Even without State Department urging, women began leaving Japan as long ago as last August. The difficulties of housekeeping, particularly if there were children, had to come to outweigh the benefits of keeping the families together. A couple of sturdy boys in one American household were keeping their feet off the ground only by stuffing cardboard in their worn-out shoes. While they were doing that, six pairs of new shoes which had been sent out from America were reposing in the Tokyo post office, awaiting an import permit which the head of the family was never able to obtain.

### BAD FLOUR

There is no decent flour in Japan. Matches, rice, and fuel are rationed, and although there has been some improvement in the supply they are not always obtainable even up to the ration allowance. Building materials

are so scarce that necessary house repairs frequently can not be made.

There was a bad drought last summer and last autumn, and water was rationed. Some houses had no water for weeks except what was brought in from pumps some distance away. And there was a limit to that. Trains, street cars and buses are overcrowded, and travel is dangerous because of the lack of repairs and replacements. Buses and taxicabs are mostly charcoal-burners, slow, unwieldy and uncertain of performance. I have been in dozens of taxicabs which have broken down or been unable to climb slight inclines.

There is a "black market" for some commodities where prices are high and quality low. The prices of practically everything are fixed by law, with the result that the articles disappear from the market and appear only when ample extra fees are provided. You can purchase a poorly-tailored suit of English material in Tokyo to-day for \$90, but neither the workmanship nor the cloth would be of good quality.

### SU-FU

There is no more imported whisky in Japan. Foreign cigarettes, of constantly deteriorating quality, are not always available. Japanese beer, a few years ago considered among the better kinds now contains substitute materials which not only detract from the taste but leave disagreeable after-effects.

The Japanese have tampered even with their medicines. A foreign doctor told me he had discovered instances where harmful ingredients had been substituted for ones no longer available.

All these substitute products are referred to as "su-fu," derived from the first syllables of the Japanese words for "fake" and "substitute." The Japanese foreign trade has fallen off, except to the yen bloc countries of East Asia. Lovely old Kyoto, Japan's outstanding tourist attraction, was practically deserted.

### COLOUR GONE

Tokyo is not a colourful city, but at one time it gave the appearance of one because of the numerous neon lights at night and the beautiful colour combinations in the women's kimonos during the day.

Now the lights have been removed to conserve power, and the kimonos are less colourful because the new materials are inferior. Most of the people are wearing old garments to escape public ridicule, which patriots direct at anyone suspected of treating the present "crisis" with unbecoming frivolity.

The American Club is the centre of the social life of non-Axis foreigners in Tokyo. The club has benefited by excellent management and a community spirit among its members. It has constant difficulties with its supplies but hard work, patience and good nature under handicaps have kept it going.

When I left Tokyo in July there was no noticeable ill-feeling toward Americans. One zealot, smashed the windows of an automobile bearing American Embassy license plates. But incidents of that kind happened even during "normal" times. A Frenchman was attacked by ruffians in Kobe and seriously injured, but none of his assailants knew his nationality, and he just as well might have been a German ally.

### WHOOPEE SHIPS

I heard that those among the Japanese who could afford it were taking coastal trips on Japanese trans-Pacific liners in order to have a day and a night of freedom from those restrictions. I took a trip to find out whether the Japanese were making "whoopie ships" out of their merchant marine and, sure enough, they were. They do not act the way Americans might under similar circumstances, but there was a great amount of satisfaction in the way they clipped open packages of American cigarettes, consumed foreign liquors and raked the dining room menus for food delicacies.

One charming old gentleman, accompanied by a young boy who contented himself with picture drawing and candy, consumed double scotches and soda in alarming quantities all the way from Yokohama to Kobe. He had a few before breakfast, too, but went off the ship under his own steam.

On that same trip I looked at Kobe, Osaka and Kyoto to see how they were standing the rigid wartime restrictions. Osaka is booming with munitions making. Kobe's foreign trade has fallen off, except to the yen bloc countries of East Asia. Lovely old Kyoto, Japan's outstanding tourist attraction, was practically deserted.



## Dead Men's Tissues Used By Russian Surgeons

MOSCOW, Aug. 31 (UP).—Disfigured, crippled Russian soldiers are being restored to health with the bones, blood and tissues of fellow soldiers killed by the Germans, doctors demonstrated to-day.

Men whose noses and ears were blown off by German explosives are convalescing in a Red army hospital with slight traces of disfigurement after the noses and ears of dead men were grafted onto them.

The chief surgeon took foreign correspondents on a tour of the modern hospital to demonstrate that modern plastic surgery has eliminated the necessity of regaining a patient's features by grafting his own skin.

During the first weeks of the war there was widespread transfusion of blood from corpses to injured men, the surgeon said, but this operation is becoming less frequent as the supply of voluntary blood donors increases. There now is an abundance of blood available, both liquid and dried, for easy transportation to hospitals.

The army hospital recently transferred from a school building, cares only for severe cases. After the operation, during the later stages of convalescence, the patients are removed to the interior, far from the menace of air raiders.

Surgeons and nurses appeared highly efficient, and equipment was of the most modern type.

**Story of Battle**  
A 30-year-old captain, a former peasant decorated for bravery, told the story of the battle in which he suffered severe head, shoulder and leg wounds. He said he was anxious to recover and get back into the fight.

"After fighting a rear guard action in Poland, my battalion took up a position somewhere west of Orsha, south-west of Smolensk," he said.

"Two infantry battalions supported by its tanks attacked us. We threw in 10 tanks attached to our regiment. After 18 hours battle we disabled eight enemy tanks by throwing flaming gasoline bottles.

"Then we charged with bayonets while our tanks flanked and took a motorized column from the rear." Despite the Germans' mechanized strength, he said, they "always avoid a night combat and never stand up to Russian bayonets."

A former truck driver from a Minsk brewery, 25, said he had been wounded just four days after being mobilized, while fighting paratroopers in the woods near Minsk.

Three groups totalling 125 paratroopers floated to earth disguised as Red army men and peasants, the wounded man said, but he and his comrades killed all of them in a hand-to-hand fight.

**Top-Scorers Among R.A.F. Fighter Aces**  
Top-score R.A.F. fighter pilot is Wing-Commander A. G. Milne, D.S.O., D.F.C., whose prowess during sweeps over enemy territory recently brought him his bag to 24.

He has also probably destroyed 15 to 20 Nazi machines reported damaged.

Running him a close second is Squadron-Leader Roland Tuck, D.S.O., D.F.C., (two bars), whose score is believed to be now more than 30.

During a sweep over France, Wing-Commander Milne sent one Hun screaming down in flames, and so badly damaged a second that it probably never reached its base.

Then, with another pilot, he shot down another enemy machine and came home.

Wing-Commander Milne, a South African, was a sailor before the war.

Among fighter pilots, the friendly competition between Milne and Squadron Leader Tuck is intriguing, for Milne flies a Spitfire and Tuck a Hurricane. Each pilot swears by his type of machine.

Sunday was observed as a day of intercession by the Parsee (Zoroastrian) Community of Hongkong, and prayers were held at the Zoroastrian Building, 101 Leighton Hill Road. The ceremony was well attended by the Zoroastrian Community.

## TANKS WITH MUSIC

WASHINGTON (UP).—Experiments by Leopold Stokowski with mobile bands to accompany the army into battle have raised doubts in one Congressman's mind about how effectively a saxophone player would be able to frighten the enemy.

Rep. George H. Bender, R., O., told the House that Stokowski, leader of the Philadelphia Symphony Orchestra, apparently is at work "figuring out some kind of a tank" that will carry the new band.

"The possibilities," he said, "As the tank dips into a sharp and unexpected hollow, the cries of anguish from the perturbed saxophone players would probably frighten the enemy to a quick and decisive retreat, unless the soldiers themselves would first throw up their guns in anguish to shut their ears."

**Clarinets Barred**  
"Having seen some of the tanks in action recently in camp manoeuvres, we can understand Mr. Stokowski's determination to avoid the use of clarinets. On some of those dips, certainly many of the clarinets would be swallowed forever."

Stokowski has been experimenting at Fort McArthur, Cal., with army bands. It was understood that he has been seeking ways of re-organising bands so that they could move with troops. He has also proposed elimination of some instruments and more emphasis upon the saxophone.

## English Most Widely Spoken In Philippines

Although English is not the most important language or dialect in any one province, it is by far the most extensively distributed language in the Philippines, census figures reveal.

In 32 provinces more than one-fourth of all the inhabitants speak English, while the same proportion speak Tagalog in only 16 provinces, and Cebuano-Bisaya in 14 provinces.

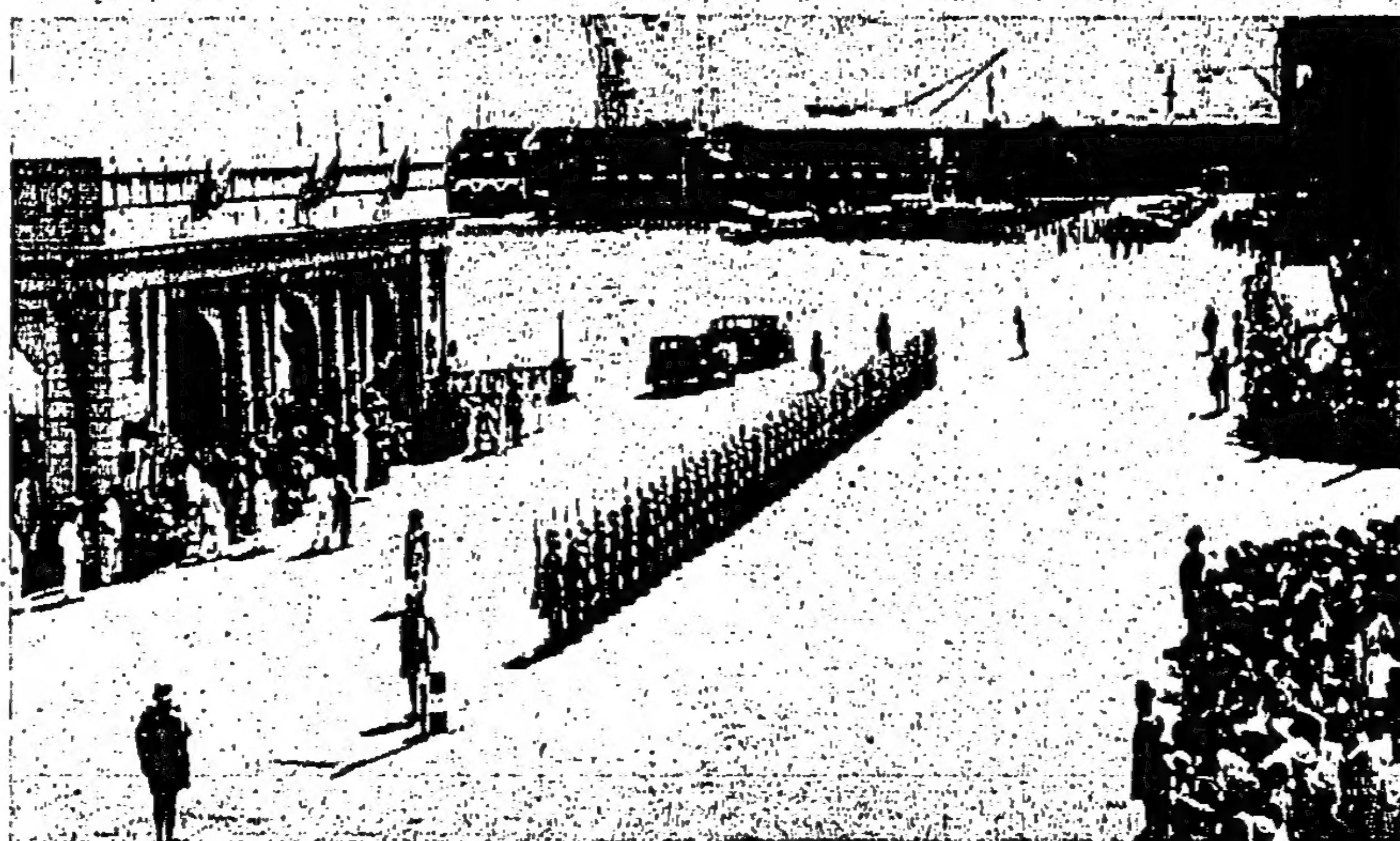
Among the dialects Tagalog is spoken in 12 provinces, Bisaya-Cebu in 10 provinces, Bisaya-Panay in five provinces, Ilocano in 10 provinces and Ilocos in four provinces. Ilocos, Ilocos Norte, Ilocos Sur, Ilocos Oriental, Pangasinan, Bisaya-Samar-Leyte, Pampangan and Sulu constitute the leading dialect in one province each.

The figures further show that if all Bisayan dialects are considered as a group, Bisaya is the most extensively used medium of speech in the Philippines.

However if each component Bisayan dialect is considered separately, the three most important languages and dialects in the Philippines, in the order of their importance, measured by the number of persons able to speak them are: (1) English, (2) Tagalog and (3) Bisaya-Cebuano. Practically all the persons speaking English have completed at least the first three grades in public or private schools. This, of course, is due to the present school system.

**WOMEN MAKE NEWS**  
A list of articles posted as "Found" in the Ministry of Information building includes: bangles, a pair of corsets; a nightdress; a skirt; an overcoat; socks; and toilet requisites.

## NEW GOVERNOR'S LANDING IN COLONY



Scene at Queen's Pier yesterday morning when Hongkong's new Governor, Sir Mark Young, K.C.M.G., landed to assume charge of the Colony's administration. His Excellency is standing at the salute before the main arch of the Pier as the guard of honour presents arms during the playing of the National Anthem. (Photo: Mee Cheung).

## Saboteurs Wreck U-boats With Secret Corrosive Chemical

A secret ring of daring German saboteurs led by a brilliant chemist has been scientifically wrecking U-boats during their construction at Krupp's, Germany's great arms firm.

Using a corrosive chemical substance introduced into the steel rolled for the submarine hulls, these men have ruined dozens of the new U-boats which are being mass-produced at Essen.

So successful have they been—it is impossible to detect the sabotage until the submarine has been to sea—that it has reduced the U-boat flotillas in the Atlantic.

The existence of this amazing band of highly-skilled wreckers and the damage it has done has been revealed by the news that in an effort to trace the leader the Gestapo has shot 40 Krupp's workmen suspected of complicity in the sabotage.

But it is believed the scientist has eluded the frantic efforts of Himmler's men to trap him, and the wrecking has been going on for months.

**Rots the Steel**  
The chemical used is understood to be a preparation which includes sulphur, and it is impregnated into the molten steel.

Its presence cannot be detected until the U-boat has been in the sea water for some weeks.

It is the action of salt water in combination with this chemical which completely "rots" the steel.

The hulls of the submarines are so weakened that they either crumble under pressure when the U-boat dives, or the seams open up even while the boat is on the surface.

Many of Hitler's latest Atlantic raiders have become completely unserviceable through this sabotage.

**Demoralises Crews**  
Reliable sources of news inside Germany disclosed that the knowledge of this sabotage, allied to the intensive anti-submarine offensive by the Royal Navy, was having a demoralising effect on Nazi U-boat crews.

A distinguished metallurgist said: "It would be quite possible to introduce a corrosive chemical substance during the manufacture of steel without fear of detection except by complicated scientific tests."

Himmler himself revealed recently that sabotage on a very wide scale is rampant in Germany.

He admitted that 21 Axis ships had been lost by sabotage.

**Gestapo Baffled**  
They included 16 German, three Italian, and two Japanese ships.

Two, he added, carried valuable cargoes and "must be regarded as total losses."

## R.A.F. GETS WORLD'S BEST

During one day at the two big fighter aircraft factories of Curtiss-Wright and the Bell Aircraft Corporation in Buffalo we have seen plenty to cheer about and almost too much to report in a hurry, according to Leland Stowe, the U.S. Correspondent.

Foremost, perhaps, I should mention one fighter aeroplane which experts generally believe to be better than anything the Germans have got. This is Bell's Airacobra P.39, a terrifically powerful, heavily armoured flying arsenal.

It is the only pursuit plane in the world which carries a 37-mm. cannon in its nose. It also carries six machine-guns in its wings.

By virtue of its revolutionary design, with the engine behind the pilot, it affords greater freedom than any fighter plane in existence. The first shipment of these fighters has already been sent to the R.A.F., and the United States Army has 60 of them.

We saw the 34-inch armour plate which protects the Airacobra cockpit and engine, together with the 2½-inch bullet-proof glass which shields the pilot.

Two new Curtiss-Wright factories will be completed before the year ends in Columbus and St. Louis, and will employ 24,000 workers. A big new plant in Buffalo has also been constructed in less than eight months.

## PRES. ROOSEVELT A MASON

Henry C. Turner, Grand Master of the Free and Accepted Masons of the State of New York, said recently that it was "public property" that the President was a member of Holland Lodge No. 8 in Manhattan and was Grand Representative of the State of Georgia to New York.

Mr. Turner said that George Washington, a prominent Mason, laid the cornerstone of the Capital of Washington at Masonic rites and that Presidents McKinley and Harding were Masons.

The organisation is open by invitation to anyone who believes in God, Mr. Turner said. Three sons of the President—James, Elliott and Franklin—are members, he said.

## RAISING SCHOOL AGE

Plans for an all-in, no-privileges educational system after the war, with the school-leaving age raised to 18, have been prepared by Board of Education experts.

Mr. Horward Ramsbottom, President of the Board, told the Association of Education Committees that the basis of the scheme would soon be submitted to them for their discussion.

"The best that we have to offer," he said, "must be made available to all children, irrespective of parental circumstances, or where they live."

"We must be ready to make sacrifices, not only of money, but also of vested interests."

"Our existing system of education is behind the times now. After the war it will be obsolete."

"We must set 18 as the age when State education would cease."

He suggested that the first great task would be to make elementary schools, secondary schools and junior technical schools all of equal status and esteem.

"Privileges must be abolished."

## U.S. Tax Bill

WASHINGTON, Sept. 10 (Reuter).—The House and Senate conferees considering the \$3,584,000,000 tax bill agreed upon a number of technical differences in connection with a difference in the versions of legislation approved by the two Chambers.

House leaders began their efforts to-day to have all members back on the job by September 18 to expedite final Congressional action on the bill.

## THIRTY DAYS FOR HEIL

John Callahan appeared in court in Buffalo, New York, recently. He was charged with being drunk and disorderly.

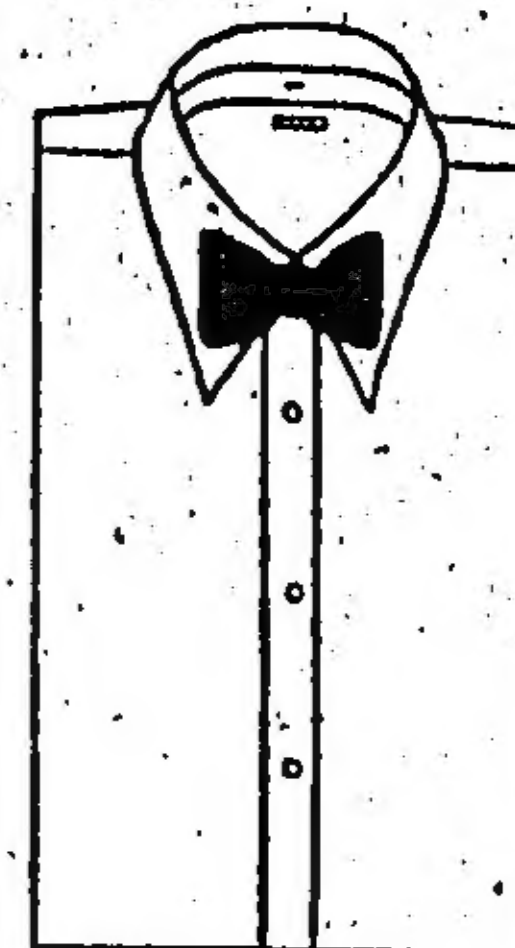
He shouted to the magistrate: "I'm anti-Roosevelt. Heil Hitler!" Magistrate: "Thirty days."

Callahan: "I'm still of the same opinion." Magistrate: "But I've changed mine. Do 60 days."

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## "WICK'S" BOWLS NOTES

# New Champions Well Beaten By Indians

## U. M. Omar Preserves 100 Per Cent Record

### Police Checked In Third Division

OWING to volunteer duties, only two matches were played last week in the Lawn Bowls League, one in the First Division and the other in the Third. In the senior game, the new champions were defeated by the Indians at Sookunpoo while the Police received their first check in several weeks in the junior section.

Craigengower at Sookunpoo were without C.S. Rosset and A.E. Contes and the Indians were without A. M. Ramjahn. But the margin of victory—34 shots—was too wide to be attributed wholly to the changes in the teams.

True, Rosset is a regular skip and Contes is the sheet-anchor of B.W. Bradbury's rink; but even with them in the side, there is little doubt but that the Indians would have won—though not by the same margin—if both sides were at full strength.

U.M. Omar, drawn once more against A.R. Dallas, kept his 100 per cent record intact. He has now gone through 16 matches without once being held and needs only two more victories for a clean League sweep.

Taking Rosset's place as skip, Joe Landolt had bad luck to crack up against A.K. Minu when the latter was at the top of his form.

Drawing and driving very accurately, Minu outplayed his opposite number on the majority of the heads, and given good support by his front men, he conceded only five singles while scoring 33 shots, including a seven.

A.A. Razack, playing No. 1 to Landolt, was the only visiting player to be up to standard; he held D.M. Khan well, but even he was out-shone.

In the third rink, the absence of Contes made all the difference to B.W. Bradbury, who was finally beaten by 17 shots by M.R. Abbas. But man for man, the Indians were the better rink and fully deserved their win.

ALTHOUGH the Police R.C. were checked by Craigengower C.C., they were on an aggregate—they are still the hot favourites for the Third Division championship. The two other teams which have outside chances of winning the title are Kowloon B.G.C. and Indian R.C. The Bowling Green are half point ahead of the Indians but their last match is against the Police. On the other hand the Indians' last game is against Hongkong Electric and they are quite capable of taking all five points.

The Police, who are three points behind the Indians and 3½ behind the Bowling Green with two matches in hand, have to play the following teams:—Hongkong C.C., Bowling Green and Kowloon F.C.

THE following is the League programme this week:

#### First Division

Police R.C. v. Craigengower  
K.B.G.C. "A" v. Civil Service  
K.B.G.C. "B" v. Indian R.C.  
Kowloon Dock v. Recreation "B"

#### Second Division

Prison Officers v. Hongkong C.C.  
Taikoo R.C. v. Kowloon C.C.  
Craigengower v. Kowloon F.C.

#### Third Division

Hongkong C.C. v. Police R.C.  
Kowloon F.C. v. H.K. Electric

## H. C. Pih Suffers Appendicitis

MR H. C. PIH, who is the jockey of the "Views" stable, has been successfully operated on for appendicitis, and it is learned that he will not be seen in action for over three months.

## Open Bowls Tournament

### Quarter-Final Pairs Matches Decided

Two matches in the quarter-finals of the Open Pairs Bowls Championship and seven matches in the first round of the singles were decided yesterday. The results were as follows:

**Open Pairs**  
W. L. Walker and R. Duncan beat N. J. Hebbington and J. F. MacGowan by 28-12 on the Kowloon F.C. green.

**Singles**  
Walker and Duncan: 001211131  
Hebbington and Duncan: 0041211103010  
12000000030103  
L. J. Silva and J. F. V. Ribeiro beat D. Rozario and J. S. Landolt by 19-15 on the Civil Service green.

**Open Singles**  
In the open singles, U. M. Omar, who has won the title on several occasions, got through fairly comfortably on the Civil Service green at the expense of W. C. Simpson.

The following were the results of yesterday's matches:  
**Civil Service**  
U. M. Omar beat W. C. Simpson 21-13.  
F. Nolan beat T. C. Monaghan 21-19.

**Hongkong F.C.**  
J. H. Gelling beat A. G. Gratian 21-16.  
A. W. Hircok beat B. A. Mansell 21-11.

**Police R.C.**  
M. E. Purvis beat H. M. Ogden 21-13.

**Kowloon B.G.C.**  
E. de Souza beat C. W. Lam 21-15.

**Kowloon F.C.**  
T. Coleman beat J. McCutcheon 21-11.

**Match Postponed**  
The quarter-final match of the Open Pairs Championship between H. A. Alves and F. V. Ribeiro (holders) against S. R. Solina and K. M. Omar, which was down for decision to-day at the Kowloon Bowling Green Club, has been postponed to Wednesday, September 17 starting at 5.15 p.m. on the same green.

## Craigengower Beat Kowloon In "C" League

Playing at home yesterday, Kowloon Cricket Club lost to Craigengower Cricket Club 24-0 in the "C" Division of the Tennis League. R. Kloss and D. Joyce (K.C.C.) lost to W. J. Howard and C. Yiu 3-6, drew with Dr. Ling and Dr. Tsoi 6-6; lost to K. L. Lee and J. W. Leonard 1-6. R. O. Baker and Fisher (K.C.C.) beat Howard and Yiu 7-5; beat Ling and Tsoi 6-0; lost to Lee and Leonard 6-0. A. Zimmer and Ollard (K.C.C.) lost to Howard and Yiu 6-0; lost to Ling and Tsoi 2-6; lost to Lee and Leonard 6-0.

**ARMY WINS AT SOOKUNPOO**  
Also in the "C" Division the Army Tennis Club, playing at home at Sookunpoo, beat the Chinese Recreation Club (C) 8-1.

S/Sgt. Duffield and S/Sgt. Emerson (Army) beat T. F. Lo and H. N. Chau 6-4; beat C. Wei and K. Y. Chan 6-4; beat P. H. Chiu and Y. N. Li 6-1; S/Sgt. Morgan and Sgt. Murray beat Lo and Chau 6-4; beat Wei and Chan 6-1; S/Sgt. Webb and Sgt. Denyer lost to Lo and Chau 2-6; beat Wei and Chan 6-4; beat Chiu and Li 6-4.

## Newmarket Assumes A New Role

LONDON, Sept. 10 (Reuter).—Newmarket, headquarters of the turf, which has already staged substitute meetings for Epsom, Ascot and Goodwood, assumed another mantle when it staged a substitute Doncaster meeting minus the St Leger.

The Townmoor Handicap over seven furlongs included many Cambridgehire candidates but the winner, Miss Dorothy Paget's Annadine, has not entered the Cambridgehire. Cambridgehire candidates were second and third, namely Mr Garner's Apricoleon, which was a joint favourite at 4/1, and Mr Hetherington's Lion Tamer, at 100/9.

It was a thrilling finish. Annadine, which started at 100/7, won by a head with a neck between second and third.

The Duchess of Norfolk, who supervises the Michel Grove stables, continues to be in grand form and won the Great Yorkshire Handicap with the Duke of Norfolk's Clean Sweep which started at 20/1.

Clean Sweep, a son of the great stayer, Trinidad, led throughout the severe mile and three quarters.

## L.T.A. Trophies Buried Away

LONDON, Sept. 2 (Reuter).—Some of the Lawn Tennis Association's trophies are buried "somewhere under London." They had been stored underground before the bombings came. Now it is wondered whether they will be fit for service when they come to light. Wimbledon trophies are not among these buried treasures—they are safe elsewhere—while the Davis Cup, of course, is in Australia. But Hard Courts Championships, county championships and junior championships may have to have new trophies when they are resumed.

## Hockey Umpires Annual Meeting

The annual meeting of the Hongkong Hockey Umpires Association will be held at St Andrew's Church Hall to-morrow, Friday, Sept. 12, at 5.30 p.m.

and Chau 6-4; beat Wei and Chan 6-1; S/Sgt. Webb and Sgt. Denyer lost to Lo and Chau 2-6; beat Wei and Chan 6-4; beat Chiu and Li 6-4.

Joe Leonard bowling for Craigengower against the Indians last Saturday. M. B. Hassan (with wood in hand), A. K. Suffad and W. Ward are other members of these rinks.—Ming Yuen.

#### Aquatic Championships

## Lawrence Practically Sure Of 220 Back-stroke Title

Poon Wing-kai Beats A.K. Rumjahn

(By "Tinker")

THOUGH the first heats for the Colony Swimming Championships were somewhat a failure at the V.R.C. last night, owing to the abandonment of two of the three events scheduled, yet one thing emerged from the only race swum—the 220 yards back-stroke—and that was that W. Lawrence is virtually assured of winning the title on the final day.

Unopposed, he won his heat in 2 mins 59.8 secs, while Poon Wing-kai, who played one of the first surprises by beating A. K. Rumjahn, Colony 100 yards backstroke champion, was only able to return 3 mins 4 secs, and this with the greatest competition from Rumjahn.

Heats for the 880 were rendered unnecessary when Charles Huang, the University swimmer, failed to make an appearance owing to temporary illness, and the same occurred in the heats for the 100 yards breast-stroke, Robert Chan, of the Chinese Bathing Club, being absent.

However, Chan Chun-nam, Yau Sai-kwan and Lau Tai-ping, the well-known Lai Tsun aquatic trio, gave an exhibition swim over the half-mile, and finished in that order, but in comparatively slow time.

**Results**  
Results and qualifiers for the finals, therefore, were:  
Men's 220 yards back-stroke—1. Poon Wing-kai (Lai Tsun); 2. A. K. Rumjahn (V.R.C.); 3. Chan Kung-chang (Chinese "Y"). Time, 301.  
Second Heat—1. W. Lawrence (V.R.C.); 2. A. K. Rumjahn (V.R.C.); 3. Lau Yiu-ting (Lai Tsun). Time, 2:59.4.  
V.R.C. Boys' 50-Yards back-stroke Handicap—1. S. Monteiro; 2. C. Gutierrez; 3. F. Baptista.  
Second Heat—1. J. Rosa Pereira; 2. J. Gomes; 3. C. Rosset.  
The first and second in each heat and the fastest third qualify for the finals.

#### To-day's Events

FURTHER HEATS will be swum this evening at the same place, commencing at 6.07 p.m. The events and competitors will be:  
Men's 220 yards free-style—Tad Heng (Eastern), Ng Nin (Sing Tao), Shek Kam-pui (Sing Tao), Chiu Wai-ilm (Sing Tao).

## Champion Loses In 1st Round

BROOKLINE, Mass., Sept. 10. The American Women's Golf Championship had many first-round surprises to-day, the chief of which was the elimination of Betty Jameson, titleholder. Grace Amory, Jean Bauer and Alice Berlinger, who shared with Miss Jameson the lead in the previous day's qualifying round, were also beaten in the first match stage, but Miss Jameson's exit was near sensational because she held what seemed a winning lead of four holes at half-way.

The champion took only 38 strokes for those nine holes and her opponent, bespectacled Janet Younger, could do nothing right. Afterwards Miss Jameson played well enough, but Miss Younger played an amazing recovery, taking only 34 strokes for the last nine holes, to overhaul the champion and win on the last green by one hole.

Miss Spang, former champion, played 10 holes before beating Mrs. Patton, but Mrs. Vane (better known as Glenna Collett), Maureen Orcutt, and Marion Milley, three Curtis Cup players, all had easy wins with four holes to spare.

—Reuter.

**MRS VARE BEATEN**  
BROOKLINE, Sept. 10 (Reuter).—Mrs. Glenna Collett Vare, six times holder of the title, was eliminated from the American Women's Golf Championship here to-day by Miss Clara Callender of Pasadena, California. Callender, who won by five and four, enters the quarter-finals.

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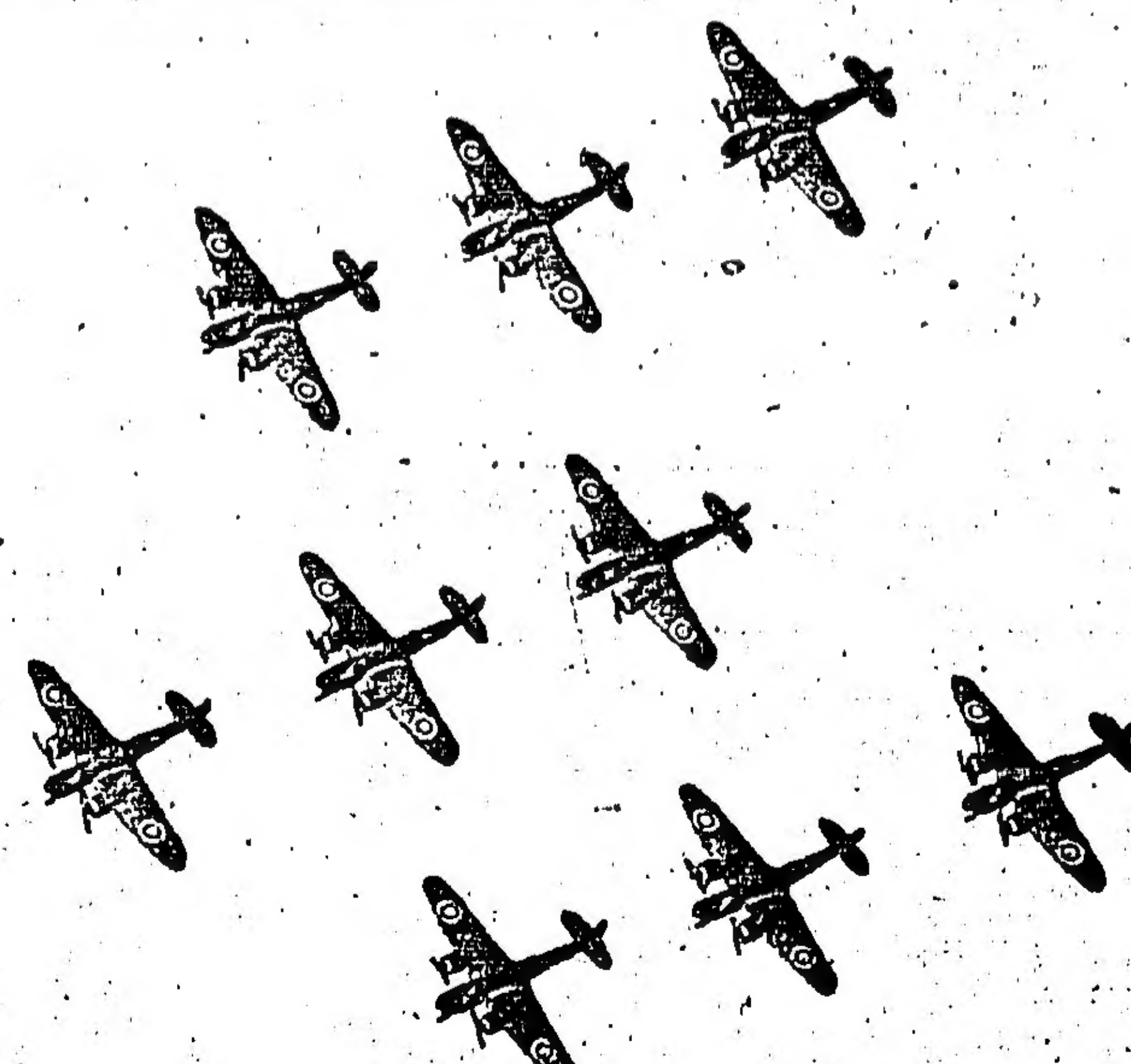
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By Ernie Bushmiller

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NAZI OIL  
SUPPLY  
DWINDESRussian Campaign  
Becoming Costly

Many oil observers who have been studying the oil position of Germany since that country launched its invasion of Russia, are of the opinion that the Nazis are not nearly as well off with respect to petroleum supplies as they were a few months ago.

Emphasis is placed on the fact that the German armies and air force, after the expenditure of enormous quantities of motor fuel, diesel oil and lubricants, are still a long way from the principal Soviet oil fields and at the same time Germany has lost such oil as it had been getting from Russia. Prior to the outbreak of the German-Russian war, the Soviet was estimated to be allowing shipments of oil to the Reich at the rate of 4,000,000 barrels or more annually.

**Three Major Factors**

In discussing Germany's oil position, one authority, "The Oil and Gas Journal," points out three major factors:

"The preoccupation of the German fighting forces in Russia has resulted in more severe raids by the British on German petroleum storage and synthetic oil plants.

"Russian airmen are reported to have carried out heavy and repeated air raids on the Rumanian oil fields and refining centres. Although results are conjectural, some damage resulted, according to Soviet communiques.

"Germany's use of petroleum must have been extensive in the Russian campaign so far. Distances traversed by the Nazi armies have been great and large quantities of mechanized equipment used have been a factor in greatly increasing the daily use of petroleum products, particularly gasoline and lubricating oils. Nazi airmen have been forced to fly long distances from their bases in order to bomb objectives along the battle front and in the Soviet interior."

**Purpose Of Drive**

The situation in which Germany finds herself with respect to petroleum, it is pointed out, will naturally become worse the longer the war with Russia is prolonged. Many have believed that the main purpose of the German drive into Russia, aside from seizure of food in the Ukraine, was to obtain control of the Caucasian oil fields and eventually, by another push, to seize Iran and Iraq oil fields.

Well informed quarters hold that if the Nazis fail to crush major Russian resistance before the fall rains come, the war may be substantially shortened with the Anglo-American-Soviet combination holding the whip hand with unlimited supplies of the oil vital to modern war of machines.

Invention To  
Protect Subs

Decoy Periscopes

EAST ST. LOUIS, Ill.—Walter Boyne, an amateur naval strategist at the age of 12, believes he has a method of protecting American submarines from hostile craft.

And his plan to decoy destroyers from submarines while the latter attack convoys has been turned over to experts of the National Inventors' Council for further study.

Writer was impressed with the manner in which destroyers on convoy duty charge after the fleeing periscopes of preying U-boats to drop depth bombs.

He hit on this: The American sub could expose its periscope briefly to sight the objective, then dive, releasing a dummy periscope to decoy protecting warships.

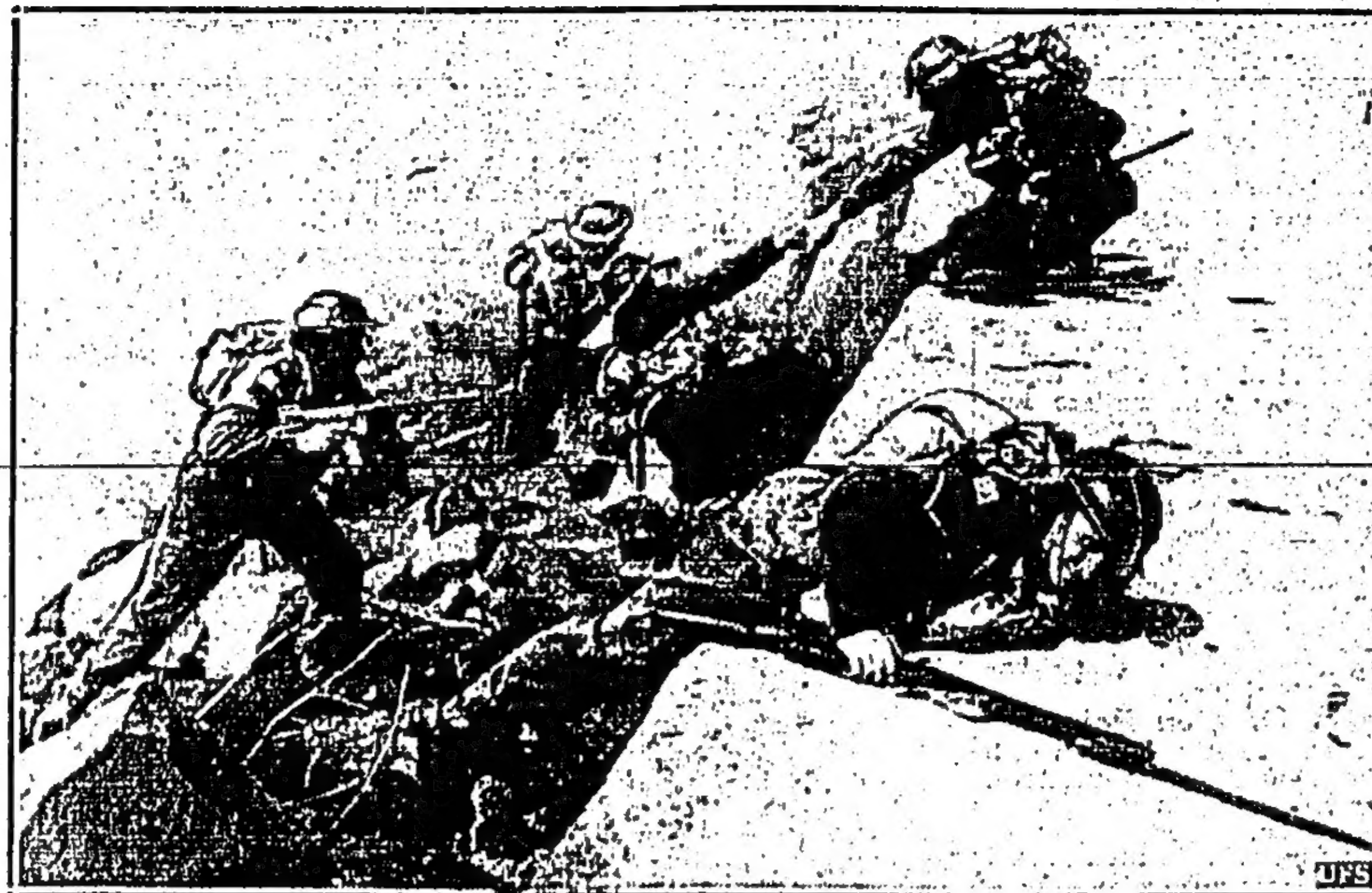
While enemy craft converged to discharge depth bombs, the submarine could double back into the convoy and attack.

Miss Nancy Cunard  
Barred From U.S.

Miss Nancy Cunard, daughter of the late Sir Bache Cunard, was denied entry into the United States recently.

Miss Cunard had arrived in New York in a Spanish liner from Havana (Cuba), where the United States Consulate had refused her a visa.

Miss Cunard, 45, after her divorce in 1925 from Mr. Sydney Fairbairn, resumed her surname by deed poll. Her father was the third baronet. The first baronet, Sir Samuel Cunard, founded the Cunard Line of steamships between the United States and Britain. It has been merged with the White Star Line.



BRITISH "INVADERS"—While encouraging unrest in occupied countries with the "V" campaign, the British are polishing up an invasion technique presumably in preparation for an attack of their own on the continent, possibly in Finland. Here troops storm up from seacoast rocks to capture an "enemy" mole during manoeuvres in Northern Ireland.

Radio Technicians Off To  
Britain To Spot Planes

With their thumbs up, and cheerful and anxious "to help Britain win the war," twenty-five American radio technicians who volunteered to handle the recently developed plane locators left on the first leg of their journey recently. Under the leadership of Squadron Leader E. W. Russell, in charge of the Civilian Technical Corps, which recruited the radio men, they departed at 9:35 p.m. from the Pennsylvania Station for Montreal. They will cross from Canada to England by ship.

The relatives of the men going to England shed no tears when they saw them off in the hall of the station. The mothers, the wives and the sweethearts of the volunteer technicians put up a brave front, saying that they were proud of the men and glad to have them "do their bit." J. Murray Mitchell, the American adviser to the C. T. C., sent the radio men off with the words that they were the vanguard of American defence.

"In operating the radio locators," he said, "the radio men among you will be the first of thousands in this country to receive training in the operation of a most important weapon, and when and if you are needed here to defend our own country and to teach our own men you will be released at once."

A. H. Tandy, British Consul in New York, stressed the importance of civilian aid in winning the war and expressed to the departing men the hope that they would return fortified to build a peace based on the understanding between the United States and the Commonwealth of the British Empire.

## 7,000 Applicants

Twenty-seven men, whose ages range from sixteen years to fifty-two, were selected by the C. T. C. to be the first to go to England. There are more than 7,000 applications being examined throughout the United States, Mr. Russell said. The applicants have to pass a technical, medical and political test before being accepted. About 1,000 of the

applicants are considered likely to be taken.

The volunteers have signed contracts for a maximum of three years to be passed in England, working on radio locators or other technical devices. They are paid \$38 a week and expenses. They will receive temporary khaki uniform in Canada and the regular gray-blue uniform of the R. A. F. when they arrive in England.

When boarding the train the volunteers raised their thumbs defiantly and some of them raised two fingers forming the letter "V" for victory. Mr. Russell left with them for Montreal.

The youngest in the group is Edwin S. Savage Jr., sixteen, of 589 Palisade Avenue, Teaneck, N. J. Anxious to go, he gave his age as eighteen when interviewed by the officers of the C. T. C. His parents, Mr. and Mrs. Edwin S. Savage Jr., who were at the station, said that they were glad to have their son go, since he had set his heart on going.

VALTIN ASKS  
PARDON

Convicted on an assault charge in Los Angeles in 1936, Richard Krebs (Jan Valtin), just asked Governor Culbert Olson of California for a pardon. Author of the best-seller, "Out of the Night," Valtin served a term at San Quentin and later was deported. Now he faces deportation for having re-entered the United States illegally.

STRONG  
FLEET IN  
EAST

The Australian Federal Cabinet is believed to consider that maximum naval strength at Singapore will deter indefinitely any Japanese desire to move further southwards writes the Melbourne special representative of the Sydney "Daily Telegraph."

Observers in Melbourne say that, as a result of Federal Government action last week, certain changes may have been made in the disposition of British naval forces.

One point on which Australia has made her attitude clear to other Governments is the need for maintaining the strongest possible naval force at Singapore, adds the "Telegraph" representative.

It is believed that the Cabinet has decided that any British decision on an attitude toward Japan must be backed up by ability to take swift action, "if necessary."

It is to make certain of concerted and effective action that the Australian Government has been in such close contact with the other Governments concerned.

Important changes in the disposition of Australian armed forces might result from the presence of the former Prime Minister, Mr. R. G. Menzies, in Britain.

The Australian view is that a Japanese invasion of Thailand would be a direct threat to Singapore and the Netherlands Indies, and would have to be opposed vigorously.

If a major clash were imminent, Australia would probably contend that Empire Far East defences should be of maximum strength, even at the cost of withdrawing men or ships from other places, adds the "Telegraph" writer.

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## PREPARING FOR LAND INVASION

Great Britain is apparently preparing for the inevitable land invasion of the continent which must come sooner or later if Germany is to be subdued by the force of arms.

News from London that additional men are being called to the colours is no surprise. For months Britain has been mustering men and drafting women into industrial service to replace man power for the armed forces.

Recently 500,000 women were drafted for work in factories to replace able bodied males. In addition, 4,000,000 men were made subject to military service. This figure includes 1,500,000 men which the British consider sufficient to repel any German invasion attempt.

**Not For Home Defence**  
The surplus soldiers must be intended for other purposes than home defence.

Presumably they are for a future expedition to Europe, unless Chancellor Hitler breaks the continental bounds and turns his full energy toward the Mediterranean and Africa. But Hitler at present has his hands full with Russia and he seems likely to be in the same position throughout the winter.

The withdrawal of Nazi troops from German-occupied western Europe for service in the east lessens the threat of invasion against Britain. Moscow has been urging Britain to strike now while the Soviets keep the main German forces occupied in the east, but Britain apparently does not consider the time ripe.

Perhaps the British will strike next spring, if all goes well, but not now. The British want no more experiences like Dunkirk.

**Question Of Man Power**  
There are several reasons which lessen the chances of a successful invasion of Europe by the British at the present time.

One is the question of man power. The Germans probably have at least 6,000,000 troops despite the losses in the Russian campaign. They also have such allies as Italy, Rumania, Hungary and Bulgaria.

Germany also has the world's most powerful mechanised army, one which easily crushed every foe until it met the Russians.

To combat Germany, Britain would have to transport a vast quantity of heavy material, including tanks and artillery, across the channel. This would prove a huge undertaking and require the massing of a large number of planes and ships which are needed badly in other places.

## Free French Welcome Peace Aims

OTTAWA.—The joint British-American declaration of war aims was seen by French authorities here as confirming promises already made to the Free French, by Great Britain that the freedom and integrity of France will be restored.

Free French headquarters here made public the following statement on the declaration as received from Free French London headquarters:

"The fundamental principles of this declaration confirm the promises already made to General de Gaulle by the British Prime Minister to the effect that the integrity and independence of France would be restored."

"They guarantee that the French people will be called upon to decide freely their own style of administration, which is the main point of the Free France programme."

**Broader Security**  
"They supply a guarantee of real security through unilateral disarmament of aggressive powers until such time as a broader security system can be put into operation."

"Free France approves the principles of a close international economic co-operation, and is convinced that the prospect of each and every nation is for all of them the surest basis of social and military security."

## LATE NEWS



**BRITAIN'S FIGHTER**—Cramped interior of new tank, named for him, didn't provide room for Prime Minister Churchill's famed bowler, so he donned a Royal Tank Regiment beret, in fast ride. He's talking over two-way wireless telephone.

## S'hai's Black Outlook On New Exchange Ruling

SHANGHAI, Sept. 10 (Reuters).—"Unending trials, difficulties and tribulation" are seen confronting Shanghai's famed bowler, so he donned a Royal Tank Regiment beret, in fast ride. He's talking over two-way wireless telephone.

Pointing out that Shanghai's import surplus during the first seven months of the year totalled £13,500,000 and in July exceeded £3,000,000, the "Finance and Commerce" states, "It cannot be denied that the stopping of certain classes of imports must strike a serious and perhaps fatal blow at a large number of small firms and industries upon which hundreds and probably thousands of people now depend for their livelihood."

"Prices will rise not because of the depreciation of the currency, but because those with goods to sell will exploit them to the full." With a view to rectifying this situation "Finance and Commerce" urges rationing and strict price control.

The only bright feature the weekly sees is the possibility of an expansion of Shanghai's export trade and a resultant improvement in the exchange position.

**Japanese Imports**  
In this connection the weekly says that reports are current that there is a possibility the Japanese will import silk and other goods from Japan and will sell them to foreign exporters here.

"This would unquestionably boost exports (leaving out the question of shipping) and would provide foreign export firms with more trade and authorised banks with larger amounts of exchange."

The weekly states that this sounds well in theory but it foresees several difficulties.

**Gold Bar Speculation**  
The effect of the disappearance of the open exchange market on gold bar speculation has been almost overwhelming, it stated. The turnover is now "insignificant." Idle and frustrated gold speculators have turned during the past two weeks to the yarn market and since the beginning of this week particularly, enormous interest has been taken."

## Indian Lady's Courageous Stand

LAHORE, Sept. 10 (Reuters).—The Begum of Shah Nawaz has announced her decision not to resign from the Viceroy's National Defence Council in obedience to the demands of the Muslim League.

She points out that she is not associated with the Council as a member of the Muslim League but in her capacity as a representative of the women of India.

## Nazis Take Over Sardinia

**Italians Need Passes**  
LISBON, Sept. 10 (Reuters).—Some thousands of German troops have recently passed through Italy en route to Sardinia according to a travel agent from Italy. He stated that Sardinia is completely under German occupation and no Italian is allowed to enter the island without a pass so jealously it is guarded. It is believed that the Germans intend to reinforce the African front.

## Vital War Needs Being Produced

NEW YORK, Sept. 10 (Reuters).—Mr. Jesse Jones, Secretary of Commerce and Federal Loan Administrator, announced to-day that the Defence Plant Corporation is financing the additional production of 30,000,000 lbs of aluminium and 12,000,000 lbs of magnesium at a cost \$72,000,000. This will bring the total aluminium capacity to 1,130,000,000 lbs.

## U.S. Rail Strike Is Delayed

WASHINGTON, Sept. 10 (Reuters).—The threatened rail stoppage has been delayed as President Roosevelt has ordered the creation of a board of five members to investigate railway wage differences. This in effect delays the stoppage as in accordance with the Railway Labor Act the strike must be delayed at least 30 days after the report of the investigators has been handed to the President.

## Recapture Of Smolensk Expected

FROM PAGE ONE

movements of vast masses of men and materials which gather momentum as they go and are incapable of being stopped. Superb fighting skill gradually flow them to a temporary standstill by applying braking action to their impetus. It is then only a matter of days or even hours before the movement re-starts, develops, is slowed and held. Three times have the Russians thus held the entire might of the Nazi surges forward and three times they fought them to a standstill.

Indications are that this time it is the Russians who will initiate the forward movement and it remains to be seen whether the Germans are as good at applying the brake as they are at rolling forward by sheer weight of masses of metal and incredible disregard for the wholesale massacre of their manpower.

## Lease-Lend Aid And British Trade

FROM PAGE ONE

despite the British Government's protests.

Mr. Dingle-Foot replied, "This question relates to fuel oil used by naval and merchant vessels. The cargo which went through on the Scheerhazade did not include fuel oil."

**Exclusively For War Purposes**  
WASHINGTON, Sept. 10 (UP).—The State Department has issued a memorandum in which Mr. Anthony Eden, the British Foreign Secretary, declared that all materials received in Britain under the Lend and Lease bill are being used for war purposes. Mr. Eden denied that the goods are being diverted to private commercial channels.

## Roosevelt May Seek Repeal of Neutrality

FROM PAGE ONE

State, said at a press conference that he had no advice of any impending agreement or announcement concerning Japanese-American talks which had been under way for several months. There was nothing new in the American situation.

## Quarters For Hsu Mo Family

**Due At Canberra**  
SYDNEY, Sept. 10 (Reuters).—Dr. Hsu Mo, the Chinese Minister to Australia, will present his credentials to Lord Gowrie on September 16 at Canberra, where five houses are already required to accommodate the party of 24, including nine children. "The Daily Telegraph," in a leader on Dr. Hsu's arrival and that of Mr. Nelson T. Johnson, the American Ambassador, says, "We want to see every Pacific country stand as courageously and uncompromisingly against aggression as the heroic people Dr. Hsu represents."

## Envoy Wounded In Britain

**At Dutch Exercises**  
LONDON, Sept. 10 (Reuters).—Mr. Anthony J. Drexel Biddle, United States Ambassador to the Allied Governments in London, was injured to-day while watching the manoeuvres of the Royal Netherlands Brigade in the Midlands. Mr. Biddle received a splinter in the leg and hand, and was the first casualty to be treated in an ambulance which, with two mobile canteens, were recently presented to the Brigade by the American people.

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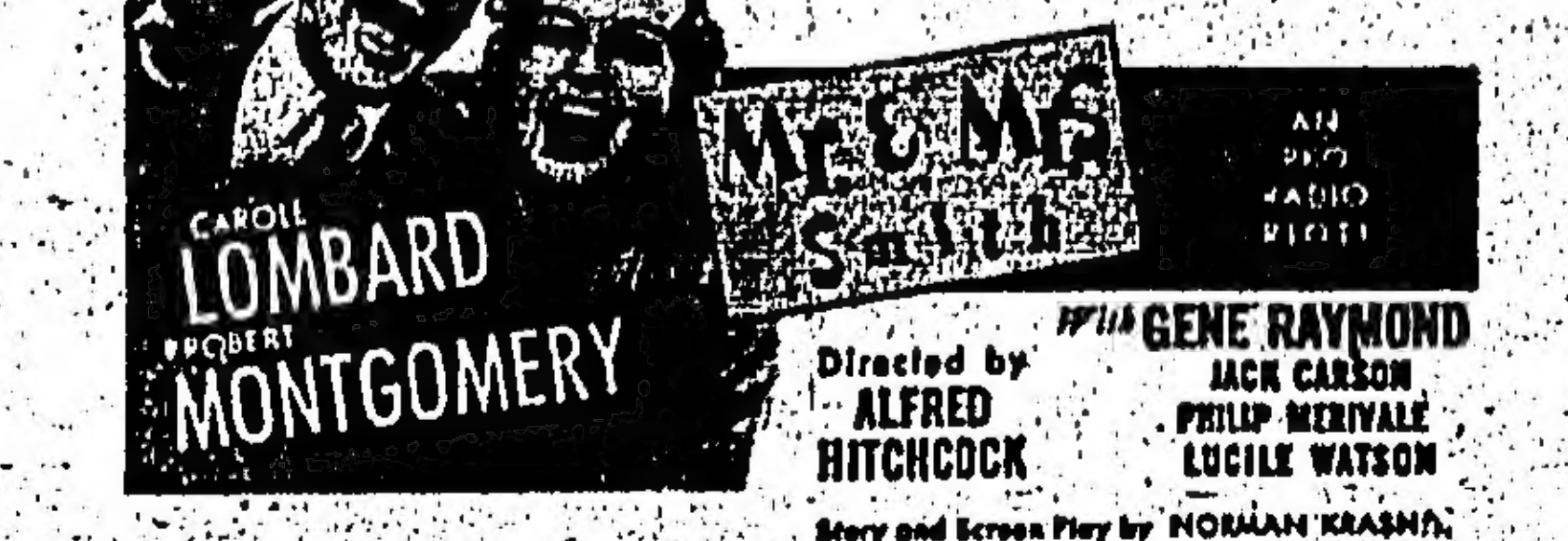
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## TIMOSHENKO'S FORCES DEAL CRUSHING BLOWS ON SMOLENSK FRONT

MOSCOW, SEPT. 10 (REUTER).—IN A FIERCE COUNTER-OFFENSIVE SOUTHEAST OF SMOLENSK, MARSHAL TIMOSHENKO'S FORCES HAVE DRIVEN THE GERMANS ACROSS THE RIVER "N", DESTROYING 238 TANKS, 50 AIRCRAFT, 486 LORRIES AND 135 GUNS, ACCORDING TO A WAR CORRESPONDENT OF THE "RED STAR," THE SOVIET ARMY ORGAN.

Some 4,000 Germans were drowned in the river, he claims. Although the name of the river is withheld it may be noted that the Dnioper runs southwards between Smolensk and Yelnya city, 45 miles southeast of Smolensk which the Russians have already captured.

The correspondent of the "Red Star" writes: "Our gallant troops continue their operations, destroying soldiers and equipment. Our troops forced the Germans to retreat beyond the river."

### HUNTING ENEMY SHIPPING

#### Successful Attack By Beauforts

LONDON, Sept. 10 (Reuter).—Beaufort aircraft of the Coastal Command, continuing the hunt for enemy shipping off the southwest coast of Norway to-day, located a German convoy and torpedoed a supply vessel, states the Air Ministry.

One Beaufort, piloted by the Squadron commander, flew through heavy anti-aircraft fire to release a torpedo. The air-gunner of another Beaufort, describing the result of another hit, said: "A massive white cloud of spray or steam shot up." When last seen, the ship had come to a complete standstill.

**Twenty-Minute Fight**  
A third Beaufort had a 20-minute fight with a Messerschmitt. The rear-gunner was wounded and replaced by the wireless operator, who had already been wounded but continued to operate the gun until the Messerschmitt gave up the chase after receiving many hits. While the crippled Beaufort was limping home, the crew—all sergeants—though knowing that they might come down in the sea, took off their live-saving jackets to make a comfortable bed for the wounded gunner. The other Beauforts returned safely.

**Fighter Command**  
LONDON, Sept. 10 (Reuter).—The Fighter Command in the course of offensive patrols to-day attacked gun positions in northwest France and enemy ships in the North Sea. One of our aircraft is missing.

#### Large Convoy Crosses Atlantic Safely

LONDON, Sept. 10 (Reuter).—One of the largest convoys ever to cross the Atlantic recently reached a British port and its gigantic freight was unloaded and dispersed. Not a ship or man of the convoy or escort became a casualty.

## Errors Of Judgment In Ferry Plane Crashes

LONDON, Sept. 10 (Reuter).—Errors of judgment were mentioned by the Air Minister Sir Archibald Sinclair in the House of Commons to-day in giving results of investigations into two fatal crashes of Atlantic aircraft in which 44 lives were lost. Sir Archibald said that the first accident is attributed to an error in navigation which caused the aircraft to strike a mountain under conditions of bad visibility which were not, however, such as to have justified cancellation of the flight. The mountain is many miles from the track which the aircraft should have followed. From the evidence available, it is impossible to explain how the error occurred. The navigation instruments had been fully and satisfactorily tested and the aircraft

"The German Command had massed in this sector a panzer group consisting of several tank divisions and mechanised units. In this sector by means of this 'wedge,' the enemy intended to assure his advance in the eastern direction. For several days and nights, the Soviet Air Force violently attacked the tanks and the enemy rear."

### Recapture Of Smolensk Expected

#### Russian Offensive Gains Momentum

(WAR COMMENTARY BY "ANNALIST")

LONDON, Sept. 10 (Reuter).—Russia is taking the offensive. From Smolensk to Gomel, Soviet troops from a series of concentrated blows at specific points are believed to be developing a large-scale offensive action.

The latest indication of this report is that the German attempts in the Gomel sector to assume the offensive were met by counter-attacks and followed up by a counter-offensive which smashed one German motorised division and destroyed the headquarters of another. Reports are circulating that Smolensk itself has been re-taken—or what is left of it, but there is neither confirmation nor denial of this from Russian sources although confirmation of its recapture is expected hourly.

#### Dnioper Army Relieved

It is probable that within a few days there will be no Nazis anywhere east of the Dnioper, even in its upper reaches and that the Soviet counter-offensive has resulted in a complete removal of the German threat to turn the defences of the Dnioper by an outflanking movement from the north as was done with such a near-disastrous effect with the Dnioper. If the Nazis want the other half of the Ukraine they will have to try a frontal attack across the lower Dnioper and with better success than they are at present achieving.

#### Mass Of Men

Fighting, as it has been developed in the Russian campaign by the Nazis, proceeds by enormous surging

"The battle of tanks continued for five days in conjunction with the air force and other arms. Soviet tanks vigorously attacked enemy columns. Endeavouring to prevent the advance of our troops, the enemy showed fierce resistance. The battles near the river crossing were particularly stubborn. But the resistance of the enemy was broken."

**German Losses**  
"In the course of these battles, the Germans lost 238 tanks, 50 planes, 486 lorries, 135 guns, 30 machine guns, 27 mine-throwers, 34 motor cycles, 25,000 rounds of ammunition, 65 cases of shells and a quantity of automatic weapons."

"About 4,000 German officers and men found their graves in the river. The already considerably battered 17th-Nazi-tank-division lost on the battlefield 60 tanks, 30 guns, 80 lorries and 1,000 men killed or wounded. "An effective blow was dealt to another German tank division, 600 officers and men being killed. "Germans taken prisoner speak with horror of the concentrated blows TURN to Back Page, Column 5

### Soviets See Turning Point

#### Germany Losing War

LONDON, Sept. 11 (Reuter).—"The Soviet Union is bearing the brunt of Hitler's attack, thereby diverting from England the danger of invasion and air raids and making it possible for her ally to undertake active and decisive actions against the common enemy," says the "Pravda," official organ of the Communist Party, quoted by the Russian War News.

"The Germans called Dunkirk Britain's greatest defeat," the newspaper says, "but the British, for whom Dunkirk was one of their severest trials, call it their greatest success. As subsequent events have proved, Dunkirk was the turning point of the British-German struggle, marking the conversion of the blitzkrieg into a long and protracted war."

"At Dunkirk it seemed that everything was against Britain but Britain did not capitulate, and Hitler lost the Battle of Britain as he has lost the Battle of the Atlantic," the Russian newspaper says. **Forces Multiplied**  
"A little more than a year has elapsed," the journal continues, "since British troops evacuated Dunkirk, and during this period Britain's armed forces have multiplied many times over. Wherever Hitler has come up against firm resistance he has not succeeded in carrying through his blitzkrieg plans. "The Nazi attack on the Soviet Union was the turning point in this world war. The forces of Hitler Germany, faced as they are by prospects of an oncoming winter campaign, will inevitably diminish and become exhausted, while the forces of anti-Hitler are invariably growing. In volume," concludes "Pravda."

### Vichy-Berlin Deadlock

LONDON, Sept. 10 (Reuter).—It is learned that a deadlock has been reached in negotiations which have been in progress between Vichy and Germany for reduction of the occupation charges. These are being paid at present at the original figure of 400,000,000 francs daily.

It will be recalled that earlier in the year Admiral Darlan referred to the "generous" Germans, which he announced that the charges had been reduced. Vichy's inability or unwillingness to furnish gold for the payment of these charges appears to be one of the reasons for the failure of the negotiations.

### A.R.P. Inquiry Resumed This Morning

## Chinese Builder Tells Of Contract For Tunnels

The Managing Partner of Kin Lee and Co., building contractors, was questioned this morning by the Commission inquiring into certain matters connected with the A.R.P. Architectural Department, as to how his firm secured the contract for building tunnels in Kowloon.

### Corinth Canal Bombed By British Air Force

CAIRO, Sept. 10 (UP).—The R.A.F. communiqué issued to-day states that the R.A.F. bombed the Corinth Canal on Monday night. "A number of direct hits were registered on both banks of the Canal and it is estimated that considerable damage was caused. On the same night, the Heraklion aerodrome was attacked."

"The R.A.F. attacked the landing grounds at Martone, Derna and Gazala, and machine-gunned motor transport on the road between Derna and Tobruk, starting a number of petrol fires."

R.A.F. planes patrolling shipping off Cirenaca yesterday beat off a large force of Messerschmitts.

## Lease-Lend Aid And British Export Trade

LONDON, Sept. 10 (Reuter).—The British Government have given the American Government an undertaking regarding the use and distribution of Lease-Lend materials. Details will be published shortly.

### Americans Must Take War Risks

#### Safe Passage Refused

WASHINGTON, Sept. 10 (Reuter).—Mr Cordell Hull revealed to-day that the Germans had refused to assure safe passage to any American ship proceeding to Britain to fetch United States citizens. The State Department therefore, had taken emergency measures to permit Americans stranded in belligerent countries to return home in planes and ships other than American.

He emphasised that this was not a blank authorisation to use belligerent transportation but would be limited to applications to accommodate Americans marooned many months.

There had been a terrific clamour among Americans in Britain, Europe and Asia to return, he explained, adding that between 75 and 100 Americans in Britain alone must return within a few weeks or lose their citizenship. A large number were technicians who went to England in connection with the war now wished to return.

#### Sessa Survivors

WASHINGTON, Sept. 10 (Reuter).—The State Department disclosed that the Sessa was both torpedoed and shelled by a submarine, presumed to be German, without warning while bound from the United States to Iceland.

Three survivors of the Sessa are a Dane, a Swede and a Portuguese.

## Roosevelt May Seek Repeal Of Neutrality Act: Speech Awaited

Special to the "Telegraph"

ABOARD THE PRESIDENT'S TRAIN EN ROUTE TO WASHINGTON, Sept. 10 (UP).—President Roosevelt will meet either to-night or on Thursday Mr. Cordell Hull, Col. Henry Stimson and Col. Frank Knox, indicating that an important decision concerning the international situation may be forthcoming.

It is also announced that President Roosevelt expects to broadcast for 25 minutes instead of the originally scheduled 15 minutes on Thursday night.

It is understood that his address has been revised in view of the latest developments.

If members of the Cabinet are available, President Roosevelt will meet them before he delivers his speech on Thursday. The President is also scheduled to meet the legislative leaders.

#### Possible Points Of Speech

Observers commented that the President and his colleagues may discuss the possibility of repealing the Neutrality Act, and they recalled that President Roosevelt's Labour Day speech mentioned the need of additional ships to safeguard shipments of American war supplies to nations fighting the Axis.

Other speculation regarding the speech included the possibility that

TURN to Page 5, Column Five

## PRISON OFFICER ATTACKED

### Stanley Gao C.O. In Hospital

An attack was carried out yesterday on Chief Officer Harold Barrett by prisoners in the Stanley Gao, as a result of which Mr Barrett is in hospital suffering from wounds on the back and leg.

Details of the attack are not yet available.

Although no official report of the attack is yet available, it is reliably understood that Mr Barrett was assaulted yesterday morning while on duty in the prison. He was stabbed in the back and wounded in the leg. However, it is understood that his condition is not regarded as being serious.

Mr Barrett is due to retire from Government service next week. Mr Barrett, who is Chief Officer of the Gao, joined as a warder of Hong Kong prisons in September 1929 and to-day completes 21 years service with the Government. In 1925 he was appointed Principal Warder and in 1932 became Assistant Chief Warder. Eighteen months later he was appointed as Chief Warder, and then from September 1939 to February 1939 he was Acting Superintendent of Hong Kong Prison, the appointment being confirmed in December 1939. In January of last year his title was changed to that of Chief Officer.

### Sessa Survivors Tell Story

#### SPECIAL TO THE "TELEGRAPH"

WASHINGTON, Sept. 10 (UP).—Survivors of the steamer Sessa to-day told the State Department that the ship was torpedoed without warning and sunk within two minutes.

The survivors include H. J. Bjerg, Danish Chief Mate; Ole L. Jangren, Swede; J. Do Oliveira, Portuguese; and a crew member picked up by the destroyer Lamdale. They said that the ship was torpedoed at midnight on August 17 about 300 miles from Reykjavik. Two survivors, the vessel amidships after she had been torpedoed.

## Remarkable Odyssey Of Escaped Frenchmen

LONDON, Sept. 10 (Reuter).—The amazing Odyssey of 183 French officers and men captured by the Germans during the Battle of France last year was disclosed when they arrived this morning at a London railway station where they were given a warm welcome by representatives of the Free French forces and of the British Army.

All these men escaped from various German prison camps and after incredible experiences and hardships succeeded in crossing the frontier into Russia. In Russia they were interned but the Soviet authorities released them as soon as Germany attacked her.

Few of these men spoke German but one captain in particular, whose name must remain a secret because he has a family in France, spoke German fluently. Disguised in civilian clothes and often wading

the Free French forces.

LATEST

See Back Page For Further Late News



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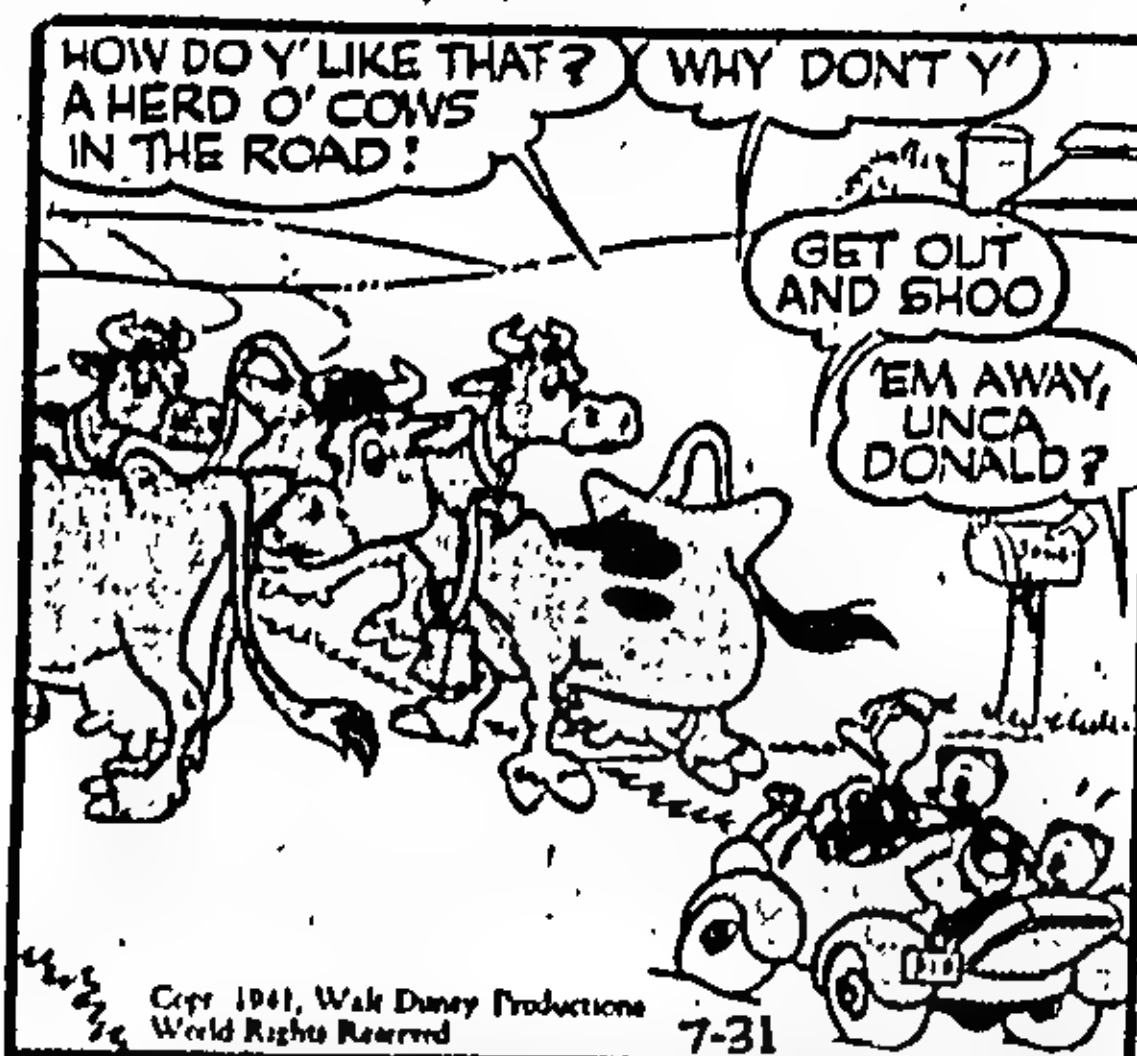
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## CONTRACT BRIDGE

Lying in Ambush

WHENEVER the bidding indicates that the opponents are headed straight for trouble, it goes without saying that no obstacle should be put in their path. Silence at the right points is one of the greatest virtues at the bridge table.

South dealer.  
Match-point duplicate.  
North-South vulnerable.

♠ 8 7 3 2  
♥ 10 9 5  
♦ A 7 4 3  
♣ J 9 6 2

♠ K Q 6 3  
♥ A J 6  
♦ K Q 10 8  
♣ A

The bidding:  
South West North East  
1 ♠ Pass 2♥ (1) Pass  
2 ♠ Pass Pass 3♠ 10bl.  
Pass Pass Pass

need hardly point out that North's two heart responses were horrible beyond words. With only one queen in his hand, and no spade fit, North could not afford to open his mouth, except to pass. The fact remains that in a recent duplicate game one North player actually bid as recorded. By doing so he gave East a beautiful opportunity for silence. East knew that the two heart bid was forcing for one round. Therefore South was bound to rebid. East was prepared to slaughter spades, hearts, or diamonds, and could even take a chance with clubs if the necessity arose. He hoped, of course, that the opponents would go higher than the two level, but when the two spade bid was passed by West and North, East reflected that a little was better than nothing, and promptly doubled.

West decided that a heart opening was as safe as any, and led the ten-

To-morrow's Hand  
North dealer.  
East-West vulnerable.  
♠ A K J 3 2  
♥ 7 6 4  
♦ K 7 3  
♣ A

♠ 5 4  
♥ A J 10 8  
♦ A J 9  
♣ A 10 5

How should East defend against South's three notrump contract? Opening lead heart jack.

## FREE FRENCH ARE WELCOME IN THE MIDDLE EAST

From A Baghdad Correspondent

The declaration of General Catroux in the name of Free France, pledging Syria her independence and freedom, supported by the proclamation of the British Government guaranteeing that pledge, has distinctly heartened the Arabs of the Middle East.

On the other hand, the fact that Syria had been forced to become a battleground grieved fellow Arabs.

The Iraqi, who endured a month of fighting in their own territory on a much smaller scale than in Syria, know to their cost the suffering which war brings in its wake.

Syria will benefit by the victory of the Allies, not only politically but also economically.

As is well known, the country had been heavily hit by the British blockade and her economic life was virtually at a standstill. The re-establishment of commercial relations with her neighbours and the outside world will bring about her immediate revival.

She will certainly benefit by joining the bloc of other Arab countries who stand by Britain and thus will be able to re-build her future.

### Honour Is Restored

The pledge given to the Syrians by the Free French leaders, Generals de Gaulle and Catroux, has helped Free France to regain a great deal of the prestige lost by France in Arab countries.

This loss of prestige was due not only to the collapse of France last year, but also to her policy in Syria in the years immediately preceding the present war.

When in September 1936 the Franco-Syrian Treaty was concluded in Paris and accorded Syrian independence on the same basis as the Anglo-Iraqi Treaty of 1930, every Arab rejoiced to see that the fifteen-year-old quarrel between France and the Syrians was finally ended.

France as a Muslim power, governing millions of Arabs, possessed great prestige in Arab eyes. As with most other nations, the Arabs felt a strong sympathy with France in her difficulties.

Nevertheless, the breach of faith and, even worse, the repudiation of the signatures given by those same people who now rule in Vichy, has embittered many an Arab and made enemies of those who were formerly the staunchest friends of France. It was therefore with great satisfaction that the Arab world learned that the Free France of General de Gaulle does not intend to follow the footsteps of Vichy.

The only possible means of restoring the prestige of France by honouring the promise given by her governments at varying intervals during the last twenty years have now been taken.

Before the 1914-1918 War, France was considered in the same degree as Great Britain as the protector of the Arabs of the Levant. It was in Paris as far back as 1906 that the first association for

Treaty was concluded and Syria was at last to become an "independent and sovereign state." She was to enter as a free member of the League of Nations at the end of 1939.

The Arab world was delighted at this understanding and France was hailed as the great Muslim Power.

Unfortunately, intrigues of a personal character intervened.

Men of the type of M. Henri Haye, the present Ambassador of Vichy in Washington and at that time Rapporteur of the Franco-Syrian Treaty in the French Senate, and M. Georges Bonnet, then Minister of Foreign Affairs for France, denied in December 1939 the guarantee given earlier that the Treaty would be ratified not later than January 31, 1939.

When the last war broke out every Arab staunchly believed that, out of an Allied victory, complete Arab independence would come.

The first clash after the last war came between King Faisal and General Gouraud.

After the unhappy revolt of 1925, which brought the French and the Syrians to their climax, a moment of hope came with the arrival in 1926 of the first civilian High Commissioner in the person of M. Henri de Jouvonal. He saw immediately that, in spite of all that had happened, there still existed a strong sympathy for France.

That sympathy could be rekindled provided that the Mandatory Power satisfied the legitimate demands of the Syrians.

M. de Jouvonal therefore made the first suggestion of a Franco-Syrian Treaty, fostering a permanent peace in the country by the granting of "national independence" with France remaining thereafter only as a "counsellor and guide on the road of modern progress."

This idea was taken up by almost all French Governments until 1936, when, after renewed troubles, a Treaty on the model of the Anglo-Iraqi

## GRIN AND BEAR IT By Lichty



"Don't mind Estelle—it annoys her when friends drop in unexpectedly to find the house looking as it usually does!"

## RADIO

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H.K.S.T. 12.15 p.m. Short Service of Inter-cession

12.30 Dance Music.

1.0 Local Time Signal and Programme Summary.

1.02 Excerpts from Gilbert and Sullivan's Opera, "The Pirates of Penzance"; "Iolanthe."

1.30 Reuter and Rugby Press and Announcements.

1.45 Wish Wynne and Jack Warner in Variety.

2.15 Close Down.

6.0 Indian Programme.

6.45 Closing Local Stock Quotations.

6.47 Kenny Baker Judy Garland, Warner and Dorell, Harold Ramsay, Baldwin and Howard in Variety Programme.

7.30 Popular Dance Music.

8.0 London Relay—The News.

8.15 London Relay—War Commentary.

8.55 London Relay—Listening Post.

Examination of Points in Daily German Propaganda.

8.30 Programme Summary.

8.32 A Mozart Song.

While These Sacred Walls (from "The Magic Flute")...Ivar Anderson (Bass) with Orchestra.

8.37 Mozart—Symphony in D. No. 35.

Allegro con Spirito—Andante—Minuetto and Trio—Finale...The Philharmonic Orchestra cond. by Sir Hamilton Harty.

9.0 Local Time Signal and Announcements.

9.02 Studio—"To-night We Present": The Philadelphia Symphony Orchestra.

A Programme arranged by John Abbott.

9.45-10.0 News in French (on Short Wave Only).

9.45 The Bournemouth Municipal Orchestra.

The Two Imps (Alford); Dancer of Seville (Grove); Echoes of the Valley (Jean Gennin); The Merry Middles (Brooke).

10.0 London Relay—The News and News Commentary.

10.15 "Tand Wagon" with Arthur Askey, Richard Murdoch and Others. Recorded by kind permission of the B.B.C. from an actual broadcast.

10.38 Folk Songs and Music.

Folk Songs from Somerset (from "English Folk Songs—Suite"); (Williams, arr. Jacob) ...Columbia Broadcasting Symphony Orchestra; The American Square Dance (Reel Time); ...Folk Dance Orchestra; Happy Swiss Memories (arr. Bizet) ...Swiss Ensemble; Fantasia On Norwegian Folk Songs—Intro: The Wrong Way Song; Pal, His Hens; I Know A Little Lass; In the Church; In Lonely Times; Springer (arr. Holand) ...Norwegian Light Symphony Orchestra.

11.0 London—"War Correspondents"—Alan Bell.

11.15 Close Down.

### NOTICE

#### DEFENCE REGULATIONS 1940

The following rates will be charged for mailing single copies of the following newspapers abroad:—  
South China Morning Post  
China and Macao  
10 cents per copy  
British Empire and Foreign  
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The Hongkong Telegraph  
China and Macao  
10 cents per copy  
British and Foreign  
20 cents per copy  
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Saturday  
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**St. Dunstan's**  
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"... for the curtain of life-long darkness has fallen; but there also is hope, for they are learning to be blind, and soon will go out into the world useful, confident and happy citizens."

(Sir Ian Fraser—Chairman of St. Dunstan's.)

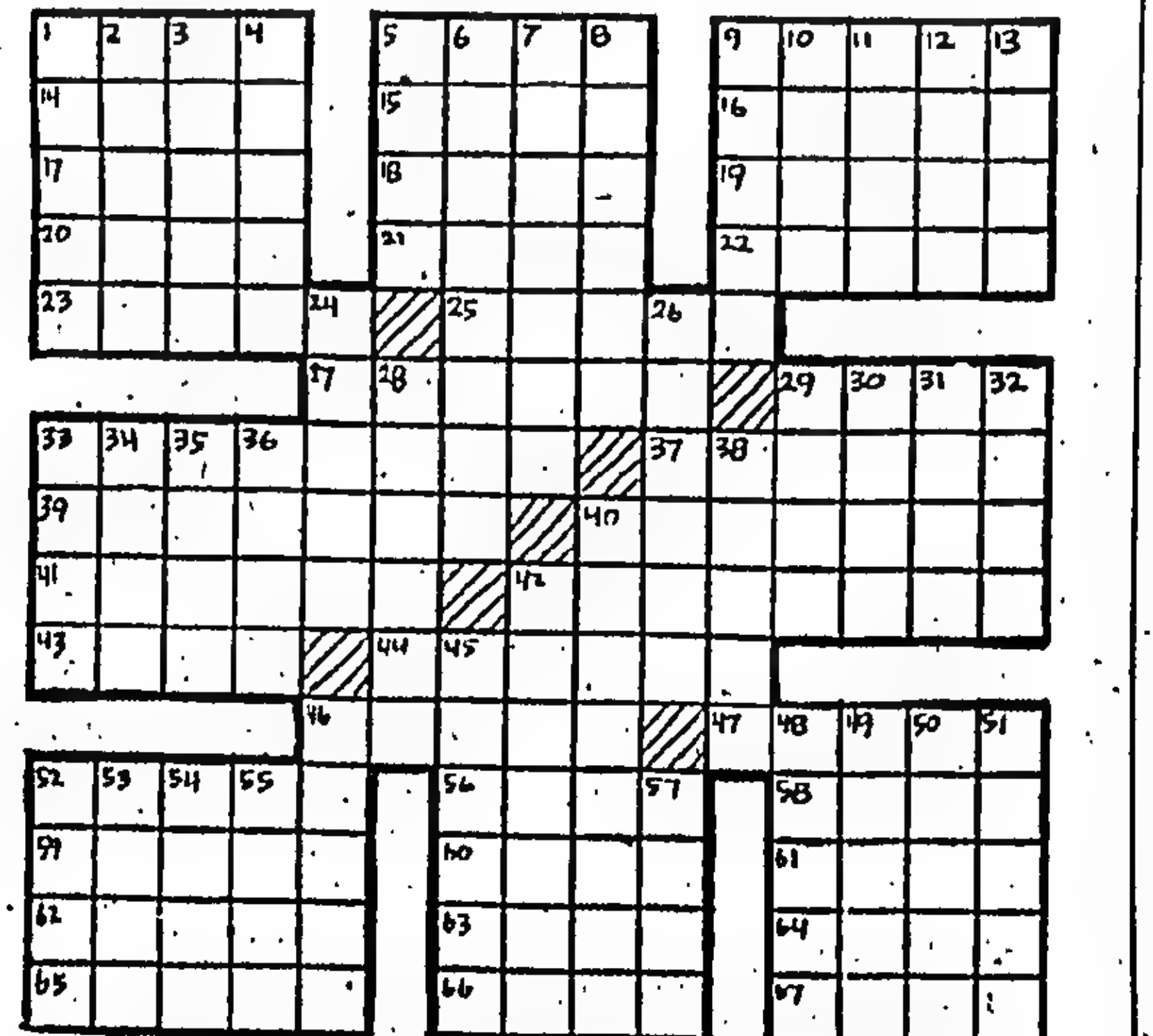
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St. Dunstan's Hon. Treasurer,  
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## Crossword Puzzle

By LARS MORRIS

ACROSS -  
1—Soothing application.  
2—Sound of zipping.  
3—Aren.  
4—Strikes together with sharp sound.  
5—Control of insurance.  
6—Mental image.  
7—Blind jacks.  
8—Biblical name.  
9—Low note directly under foot.  
10—Outwardly manifest.  
11—Man's nickname.  
12—Olive cut.  
13—Small amphibians.  
14—Laying toothed.  
15—Mantis.  
16—Frog.  
17—Yellow Roman dish.  
18—One of Gaelic tribe.  
19—Sanctioned.  
20—Ignominious rock.  
21—One who displays in conspicuous manner.  
22—16th century collar (obsolete).  
23—Gilt-beige.  
24—Most distant in relation.  
25—Rulers of Tuols.  
26—Amounted to in weight.  
27—Come bear.  
28—Bring to same place.  
29—Bird's name.  
30—Bird's name.  
31—Large letter.  
32—Up to time that.

ANSWER TO PREVIOUS PUZZLE  
ACROSS -  
1—Soothing application.  
2—Sound of zipping.  
3—Aren.  
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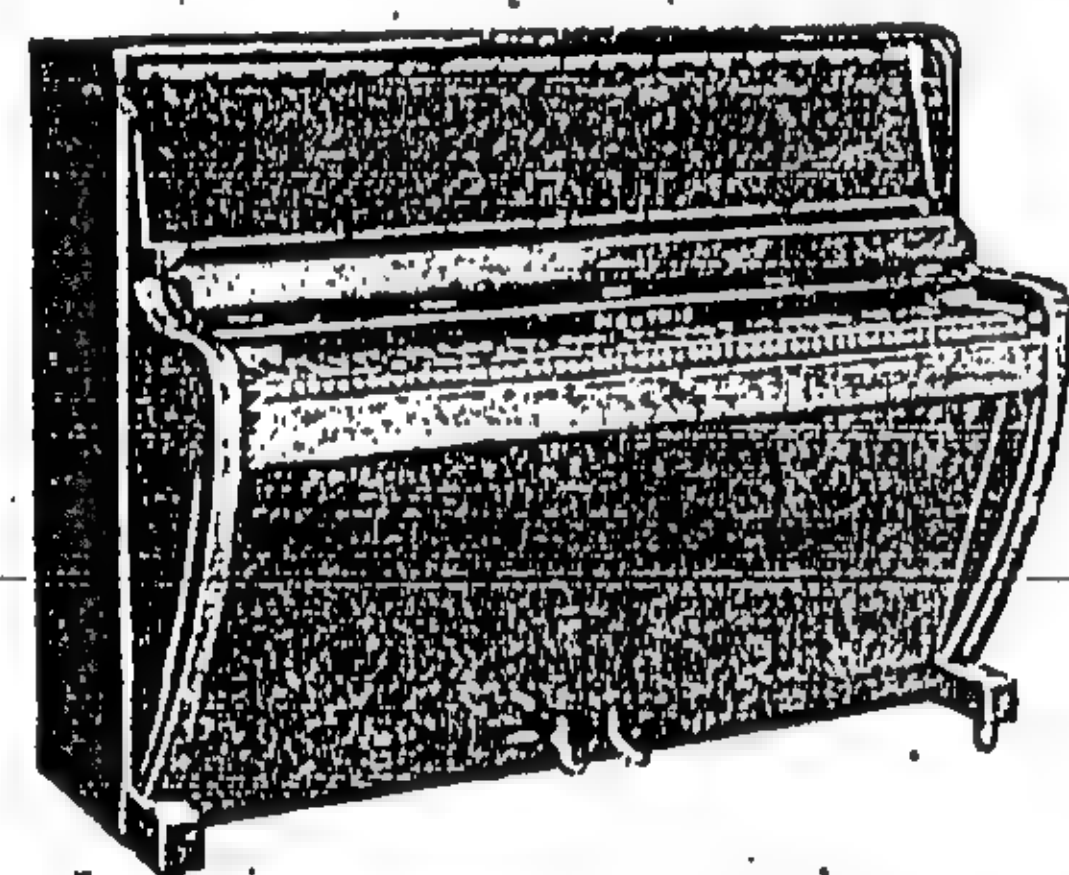
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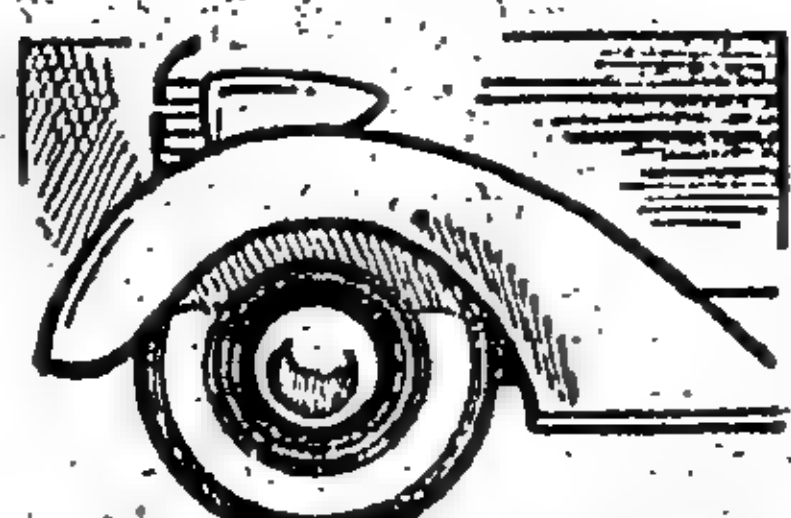
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**SOLID REFRESHMENTS** will be obtainable  
on presentation of the retained perforated half  
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tires can give you . . . use WHIZ  
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the latest in car . . .

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### The Hongkong Telegraph.

Thursday, Sept. 11, 1941.

Wyndham St., Hongkong  
Telephone: 26015

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#### U.S.-JAPAN TALKS

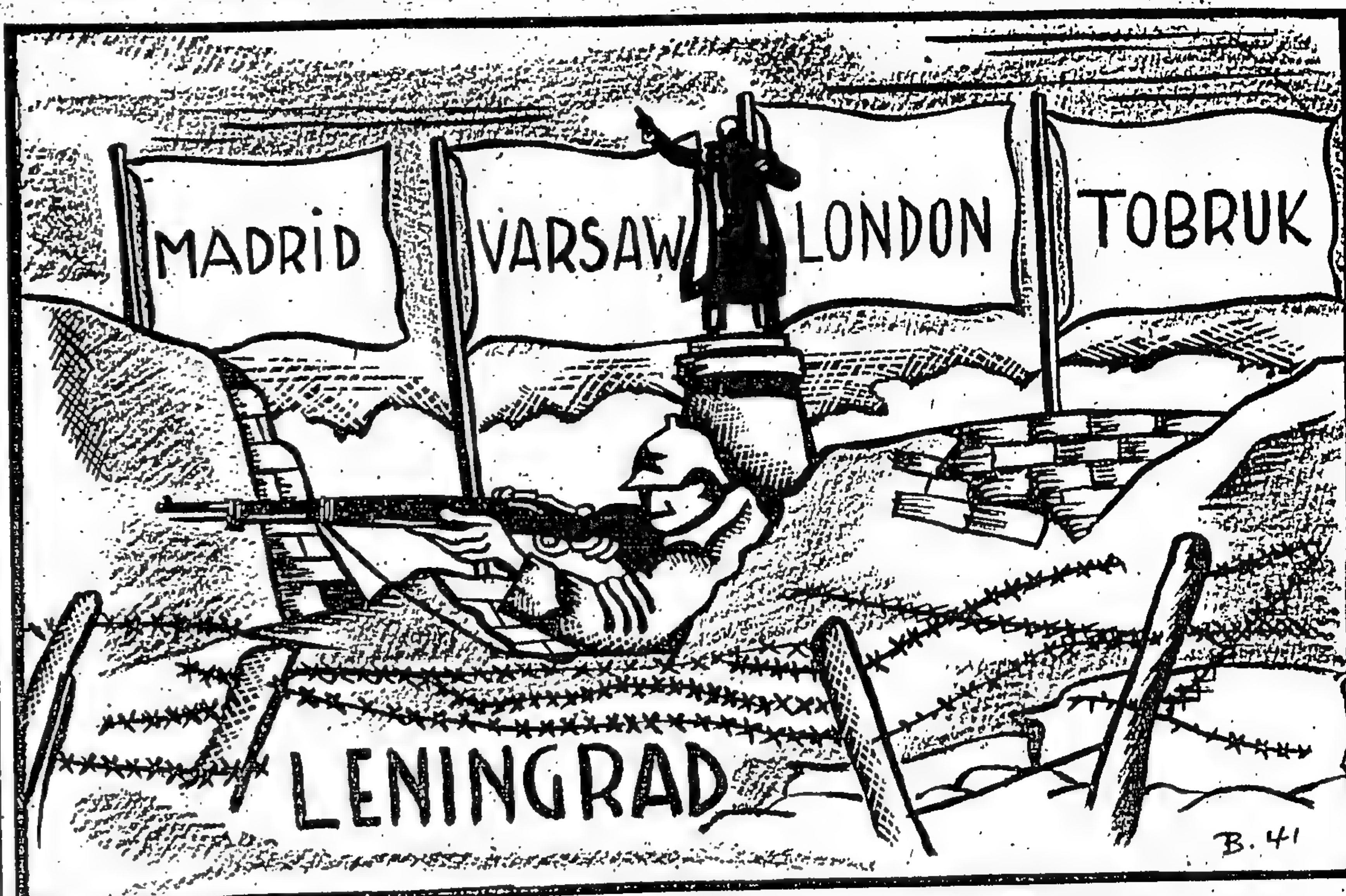
**SELDOM** if ever before has  
so little been known about such  
momentous negotiations as those  
which are now being carried on  
between Tokyo and Washington;  
their very secretiveness gives  
them added drama and import-  
ance and the entire world is  
anxiously and a little impatiently  
waiting for the pronouncements  
by President Roosevelt and  
Prince Konoye which, it is be-  
lieved, will go a long way  
towards clarifying the obscure  
and threatening situation in the  
Pacific.

Hongkong has a very direct  
interest in the outcome of the  
U.S.-Japan talks, particularly in  
view of the hints thrown out  
during the last few days that  
they may result in Japan with-  
drawing from the Axis and  
aligning herself more with  
America and Britain. The im-  
mediate reaction to such a possi-  
bility is whether it will make  
possible the lifting of the eva-  
cuation restrictions, for, as our late  
Governor, Sir Geoffrey North-  
cote made clear in public state-  
ments, the position will be  
reviewed in the most favourable  
light possible once the political  
situation has become clarified in  
the Far East.

But it would be unwise to be-  
come too optimistic about the  
Tokyo-Washington conversa-  
tions, for the issues at stake  
concern not Japan and America  
alone, but Britain, China and  
the Netherlands East Indies:  
wherefore any concessions which  
Japan might be prepared to  
make must take into considera-  
tion the interests of these last  
three named countries. Addi-  
tionally, it is doubtful whether  
the Konoye Cabinet can attempt  
such a political volte face as  
overthrowing the Axis without  
causing serious repercussions  
internally—repercussions which  
may completely undo any  
useful work which the cur-  
rent negotiations accom-  
plish. A further point which  
makes any deal delicate is  
what sort of *quid pro quo* does  
Japan expect and what is  
America likely to offer.

The lifting of economic sanctions  
by the democracies for the total  
abandonment of the Axis may satisfy  
Japan, but Britain, the United States  
and the N.E.I. will probably require

### THEY ARE NOT ALONE



By Billiken

## SPOTLIGHT ON TOKYO TODAY

### Foreigners' Irksome Existence

BY H. O. THOMPSON

This is the fourth article in this new series by the  
former Tokyo Manager of the United Press. In the con-  
cluding article to-morrow, Mr Thompson will write on  
some of the effects of the economic measures recently  
applied against Japan and her possible next move.

The life of foreigners in  
Japan to-day is in shocking  
contrast to the life of ease  
and luxury once regarded  
as a symbol of residence in  
the Far East.

It is a life where procure-  
ment of even the simplest  
things means worry, toil  
and mounting expense.  
Shoes, cotton materials,  
suitable clothes, all import-  
ed articles such as special  
foods, toilet requisites or  
tobaccos, are unobtainable.

Theoretically, a foreigner  
is still entitled to import 50  
worth of merchandise one of them. The others  
each month, provided the  
articles are not on the ban-  
ned list, but in practice it  
does not work out that way. Slavens, wife of the Ameri-  
Permits are required and can Consul.

There are also half a  
dozen girl secretaries and  
the code clerks, employees of  
the State Department.  
The activities of the  
Japanese police and gen-  
darmes, who are constantly  
checking on foreigners, pro-  
vide annoyance, irritation,  
mental or physical discom-  
fort, depending on the in-  
dividual. The police depart-  
ment's parting salute to me  
was to break open a locked  
brief case in my cabin while  
I was watching the ship's  
departure from the pro-  
menade deck.

#### AMERICAN WOMEN

The American community  
in Tokyo and Yokohama  
has dwindled from about  
2,000 to a few hundred,  
mostly businessmen, Em-  
bassy officials and other em-  
ployees, a few newspaper-  
men and some whose careers  
are linked with Japanese  
activities.

There are only three wo-  
men on the American Em-  
bassy list left in Tokyo.  
Mrs Joseph Clark Grew,

other assurances, such as renuncia-  
tion of further aggressive designs;  
even the withdrawal of Japan's troops  
from southern Indo-China and the  
"land border." For it is reason-  
able to believe that abrogation of the  
Tripartite Pact on the part of Japan  
will not in itself mean that she has  
given up her Greater Asia Co-  
prosperity Sphere plans. It is danger-  
ous to assume that only as an Axis  
partner will Japan continue with her  
scheme. Hitherto all her actions on  
the continent have been made in-  
dependently, and it will need a tan-  
gible display of good faith beyond  
the renunciation of the Tripartite  
Pact to convince that she is willing  
to give up her imperialistic ambitions.

Wives of American army  
officers attached to the Em-  
bassy were ordered out of  
Japan two months ago. The  
Navy personnel consists of  
single men, except for the  
Attache himself.

Even without State Depart-  
ment urging, women began leav-  
ing Japan as long ago as last  
August. The difficulties of  
housekeeping, particularly if  
there were children, had to come  
to outweigh the benefits of keep-  
ing the families together. A  
couple of sturdy boys in one  
American household were keep-  
ing their feet off the ground  
only by stuffing cardboard in  
their worn-out shoes. While  
they were doing that, six pairs  
of new shoes which had been  
sent out from America were re-  
posing in the Tokyo post office,  
awaiting an import permit  
which the head of the family  
was never able to obtain.

There is no more imported  
wisky in Japan. Foreign  
cigarettes, of constantly de-  
teriorating quality, are not al-  
ways available. Japanese beer,  
a few years ago considered  
among the better kinds now  
contains substitute materials  
which not only detract from the  
taste but leave disagreeable af-  
ter-effects.

The Japanese have tampered  
with their medicines. A  
foreign doctor told me he had  
discovered instances where too,  
harmful ingredients had been  
substituted for ones no longer  
available.

#### BAD FLOUR

There is no decent flour in  
Japan. Matches, rice, and fuel  
are rationed, and although there  
has been some improvement in  
the supply they are not always  
obtainable even up to the ration  
allowance. Building materials

#### COLOUR GONE

Tokyo is not a colourful city,  
but at one time it gave the ap-  
pearance of one because of the  
numerous neon lights at night  
and the beautiful colour combi-  
nations in the women's kim-  
onos during the day.

Now the lights have been re-  
moved to conserve power, and  
the kimonos are less colour-ful  
because the new materials are  
inferior. Most of the people  
are wearing old garments to es-  
cape public ridicule, which pa-  
triotism direct at anyone suspected  
of treating the present "crisis"  
with unbecoming frivolity.

The American Club is the cen-  
tre of the social life of non-Axis  
foreigners in Tokyo. The club  
has benefitted by excellent  
management and a community  
spirit among its members. It  
has constant difficulties with its  
supplies but hard work, patience  
and good nature under handi-  
caps have kept it going.

When I left Tokyo in July  
there was no noticeable ill-feel-  
ing toward Americans. One  
zealot smashed the windows of  
an automobile bearing Ameri-  
can Embassy license plates. But  
incidents of that kind happened  
even during "normal" times. A  
Frenchman was attacked by ruf-  
fians in Kobe and seriously in-  
jured, but none of his assail-  
ants knew his nationality, and  
he just as well might have been  
a German ally.

#### WHOOPEE SHIPS

I heard that those among the  
Japanese who could afford it  
were taking coastal trips on Ja-  
panese trans-Pacific liners in  
order to have a day and a night  
of freedom from those restric-  
tions. I took a trip to find out  
whether the Japanese were mak-  
ing "whoopee ships" out of their  
merchant marine and, sure  
enough, they were. They do  
not act the way Americans  
might under similar circum-  
stances, but there was a great  
amount of satisfaction in the  
way they ripped open packages  
of American cigarettes, con-  
sumed foreign liquors and raked  
the dining room menus for food  
delicacies.

One charming old gentleman,  
accompanied by a young boy  
who contented himself with pic-  
ture drawing and candy, con-  
sumed double scotches and soda  
in alarming quantities all the  
way from Yokohama to Kobe.  
He had a few before breakfast,  
where too, but went off the ship under  
his own steam.

On that same trip I looked at  
Kobe, Osaka and Kyoto to see  
how they were standing the rigid  
wartime restrictions. Osaka is  
booming with munitions mak-  
ing. Kobe's foreign trade has  
fallen off, except to the yen bloc  
countries of East Asia. Lovely  
old Kyoto, Japan's outstanding  
tourist attraction, was practi-  
cally deserted.



## Dead Men's Tissues Used By Russian Surgeons

MOSCOW, Aug. 31 (UP).—Disfigured, crippled Russian soldiers are being restored to health with the bones, blood and tissues of fellow soldiers killed by the Germans, doctors demonstrated to-day.

Men whose noses and ears were blown off by German explosives are convalescing in a Red army hospital with slight traces of disfigurement after the noses and ears of dead men were grafted onto them.

The chief surgeon took foreign correspondents on a tour of the modern hospital to demonstrate that modern plastic surgery has eliminated the necessity of repairing a patient's features by grafting his own skin.

During the first weeks of the war there was widespread transfusion of blood from corpses to injured men, the surgeon said, but this operation is becoming less frequent as the supply of voluntary blood donors increases. There now is an abundance of blood available, both liquid and dried, for easy transportation to hospitals.

The army hospital recently transferred from a school building, cares only for severe cases requiring special, urgent attention. After the operation, during the later stages of convalescence, the patients are moved to the interior, far from the menace of air raiders.

Surgeons and nurses appeared highly efficient, and equipment was of the most modern type.

**Story of Battle**  
A 30-year-old captain, a former peasant decorated for bravery, told the story of the battle in which he suffered severe head, shoulder and leg wounds. He said he was anxious to recover and get back into the fight.

"After fighting a rear guard action in Poland, my battalion took up a position somewhere west of Orsha, south-west of Smolensk," he said.

"Two infantry battalions supported by 10 tanks attacked us. We threw in 10 tanks attached to our regiment. After 18 hours battle, we disabled eight enemy tanks by throwing flaming gasoline bottles.

"Then we charged with bayonets while our tanks flanked and took a motorized column from the rear." Despite the Germans' mechanized strength, he said, "we always avoid a night combat and never stand up to Russian bayonets."

A former truck driver from a Minsk brewery, 25, said he had been wounded just four days after being mobilized, while fighting paratroopers in the woods near Minsk.

Three groups totaling 125 paratroopers floated to earth disguised as Red army men and peasants, the wounded man said, but he and his comrades killed all of them in a hand-to-hand fight.

## Chartered Bank Dividend

The following telegram was received to-day from the Head Office in London of the Chartered Bank of India, Australia and China: "Directors have declared an interim dividend for the past half year at the rate of 10 per cent annum subject to income tax dividend payable on 1st October."

## U.S. Tax Bill

WASHINGTON, Sept. 10 (Reuter).—The House and Senate conferees considering the \$3,584,000,000 tax bill agreed upon a number of technical differences in connection with a difference in the versions of legislation approved by the two Chambers. House leaders began their efforts to-day to have all members back on the job by September 10 to expedite final Congressional action on the bill.

## Great Literature Predicted

SALT LAKE CITY, Utah (UP).—James Hilton, author of "Lost Horizon" and "Goodbye Mr Chips," predicted here that present wars eventually would be the inspiration for "Great Literature." However, he added, we are "now too close to see it in its true perspective."

## WOMEN MAKE NEWS

A list of articles posted as "Found" in the Ministry of Information building includes: bangles, a pair of corsets, a nightdress, a skirt, underwear, socks, and toilet requisites.

## Economic Warfare On Reich

LONDON, Sept. 10 (Reuter).—As a result of the Anglo-Soviet action in Iran Germany will lose not only considerable food supplies but will also be deprived of substantial quantities of jute, cotton and boxwood.

The Germans will lose 20,000 tons of cotton yearly.

That supplies are short is shown by the fact that Jews in Germany have been deprived of the major portion of their bed linen. Germany's lack of jute will be even more acute owing to the loss of Iranian jute which up to now has been exported to Germany as jessan and jute bags. Boxwood which the Nazis also obtained from Iran is one of the few woods of sufficient good quality to be used in hand-milling shells and bombs and is also used in the manufacture of mathematical instruments, cogs and tool-handles.

## Englishwoman Who Loves Japan

SPECIAL TO THE "TELEGRAPH"

WAKAYAMA, Sept. 11 (Demel).—At least one English woman will remain in Japan despite the evacuation advice from the British authorities. Miss Catherine Davis will make a permanent home at the Shirahama hot springs in Wakayama Prefecture.

Earlier this year, Miss Davis went to Sydney but finding her nostalgia for Japan too strong she turned back to Japan in April. An 18,000 Yen mansion is being completed at Shirahama as the Finance Ministry has not frozen her deposits. Long interested in the Kono school of the "Noh" drama, Miss Davis intends to donate a fund for constructing a "Noh" theatre in Kyoto in the near future.

## Death Sentence For Greeks

SPECIAL TO THE "TELEGRAPH"

BERLIN, Sept. 10 (UP).—The German newspaper, the "Belgrade Donau Zeitung" reports from Athens that German military authorities in Greece announced that the death sentence had been passed on a Salonika merchant who helped two British to escape, and on three farmers from the vicinity of Athens for possession of arms, as well as on a farmer at Crete for sabotage of German military telephone lines. It said that the Greek Government had placed under control of the State all property of a number of former Greek statesmen and all of their relatives.

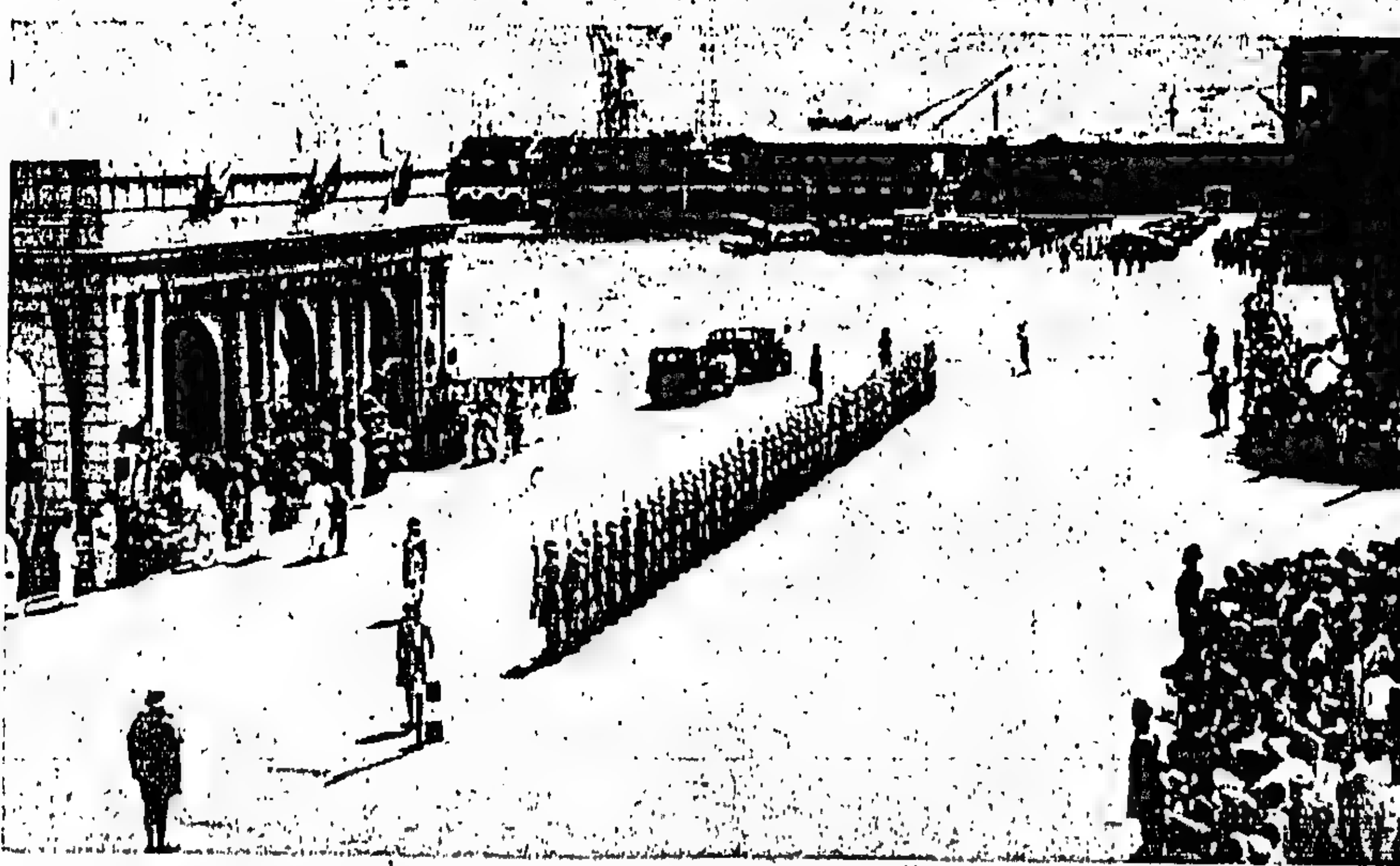
## Modern Knights Of St John

MALTA, Sept. 10 (Reuter).—A shield inscribed "In Token of Appreciation and Gratitude for the Brilliant Services rendered in Defence of these Islands" was presented to the R.A.F. and Fleet Air Arm by the Anglo-Maltese League yesterday in the name of the people of Malta. Air Vice-Marshal Lloyd, replying to the speech by the President of the League, said: "We have been called Knights of St John—they cleared the sea of the scourge of piracy. Our task is to clear the sea and air of the scourge of dictatorship, and we will. Malta and its history is an inspiration to us all."

## Answer To Correspondent

Y. K. Chan:—You have overlooked the legal aspect of the case. The magistrate's decision was based upon this.

## NEW GOVERNOR'S LANDING IN COLONY



Scene at Queen's Pier yesterday morning when Hongkong's new Governor, Sir Mark Young, K.C.M.G., landed to assume charge of the Colony's administration. His Excellency is standing at the salute before the main arch of the Pier as the guard of honour presents arms during the playing of the National Anthem. (Photo: Mee Cheung).

## Saboteurs Wreck U-boats With Secret Corrosive Chemical

A secret ring of daring German saboteurs led by a brilliant chemist has been scientifically wrecking U-boats during their construction at Krupps, Germany's great arms firm.

Using a corrosive chemical substance introduced into the steel rolled for the submarine hulls, these men have ruined dozens of the new U-boats which are being mass-produced at Essen.

So successful have they been—it is impossible to detect the sabotage until the submarine has been to sea—that it has reduced the U-boat flotillas in the Atlantic.

The existence of this amazing band of highly-skilled wreckers and the damage it has done has been revealed by the news that in an effort to trace the leader the Gestapo has shot 40 Krupps workmen suspected of complicity in the sabotage.

But it is believed the scientist has eluded the frantic efforts of Himmler's men to trap him, and the wrecking has been going on for months.

**Rots the Steel**  
The chemical used is understood to be a preparation which includes sulphur, and it is impregnated into the molten steel.

In presence, cannot be detected until the U-boat has been in the sea water for some weeks.

It is the action of salt water in combination with this chemical which completely "rots" the steel.

The hulks of the submarines are so weakened that they either crumble under pressure when the U-boat dives, or the seams open up even while the boat is on the surface.

Many of Hitler's latest Atlantic raiders have become completely unserviceable through this sabotage.

**Demoralises Crews**  
Reliable sources of news inside Germany disclosed that the knowledge of this sabotage, allied to the intensive anti-submarine offensive by the Royal Navy, was having a demoralising effect on Nazi U-boat crews.

A distinguished metallurgist said: "It would be quite possible to introduce a corrosive chemical substance during the manufacture of steel without fear of detection except by complicated scientific tests."

Himmler himself revealed recently that sabotage on a very wide scale is rampant in Germany.

He admitted that 21 Axis ships had been lost by sabotage.

**Gestapo Baffled**  
They included 16 German, three Italian, and two Japanese ships. Two, he added, carried valuable cargoes and "must be regarded as total losses."

He blamed "Communist saboteurs"—a convenient excuse to cover up the shortcomings of his Gestapo in failing to track down anti-Nazi German organisations.

The ships, according to Himmler, were sailing in the Baltic and the North Sea when they were destroyed by mysterious and uncontrollable fires or explosions.

## R.A.F. GETS WORLD'S BEST

During one day at the two big fighter aircraft factories of Curtiss-Wright and the Bell Aircraft Corporation in Buffalo we have seen plenty to cheer about and almost too much to report in a hurry, according to Leland Stowe, the U.S. Correspondent.

Foremost, perhaps, I should mention one fighter aeroplane which experts generally believe to be better than anything the Germans have got. This is Bell's Airacobra P.39, a terrifically powerful, heavily armoured flying arsenal.

"It is the only pursuit plane in the world which carries a 37 mm. cannon in its nose. It also carries six machine-guns in its wings."

By virtue of its revolutionary design, with the engine behind the pilot, it affords greater freedom than any fighter plane in existence. The first shipment of these fighters has already been sent to the R.A.F. and the United States Army has 60 of them.

We saw the 41-inch armour plate which protects the Airacobra cockpit and engine, together with the 2½-inch bullet-proof glass which shields the pilot.

Two new Curtiss-Wright factories will be completed before the year ends in Columbus and St Louis, and will employ 24,000 workers. A big new plant in Buffalo has also been constructed in less than eight months.

## PRES. ROOSEVELT A MASON

Henry C. Turner, Grand Master of the Free and Accepted Masons of the State of New York, said recently that it was "public property" that the President was a member of Holland Lodge No. 8 in Manhattan and was Grand Representative of the State of Georgia to New York.

Mr Turner said that George Washington, a prominent Mason, laid the cornerstone of the Capital of Washington at Masonic rites and that Presidents McKinley and Harding were Masons.

The organisation is open by invitation to anyone who believes in God, Mr Turner said. Three sons of the President—James, Elliott and Franklin—are members, he said.

## Recapture Of Smolensk Expected

→ FROM PAGE ONE

movements of vast masses of men and materials which gather momentum as they go and are incapable of being stopped. Superb fighting skill can gradually show them to a temporary standstill by applying braking action to their impetus. It is then only a matter of days or even hours before the movement re-starts, develops, is slowed and held. Three times have the Russians thus held the entire might of the Nazi surges forward and three times they fought them to a standstill.

Indications are that this time it is the Russians who will initiate the forward movement and it remains to be seen whether the Germans are as good at applying the brake as they are at rolling forward by sheer weight of masses of men and incredible disregard for the wholesale massacre of their manpower.

## Roosevelt May Seek Repeal of Neutrality

→ FROM PAGE ONE

Mr Roosevelt may ask permission for naval escorts for convoys carrying war materials to Axis foes, or some more vigorous form of naval action designed to halt depredations against American shipping.

Secondly, he may ask Congress to repeal the Neutrality Act, thus lifting the ban against American vessels sailing into British and other belligerent ports.

Thirdly, he may disclose the status of the negotiations between the United States and Japan regarding a settlement of Oriental issues.

**Tokyo-Washington**  
WASHINGTON, Sept. 10 (Reuter).—Mr Cordell Hull, Secretary of State, said at a press conference that he had no advice of any impending agreement or announcement concerning Japanese-American talks which had been under way for several months. There was nothing new in the American situation.

## THIRTY DAYS FOR HEIL

John Callahan appeared in court in Buffalo, New York, recently. He was charged with being drunk and disorderly.

He shouted to the magistrate: "I'm anti-Roosevelt, Heil Hitler!" Magistrate: "Thirty days."

Callahan: "I'm still of the same opinion."

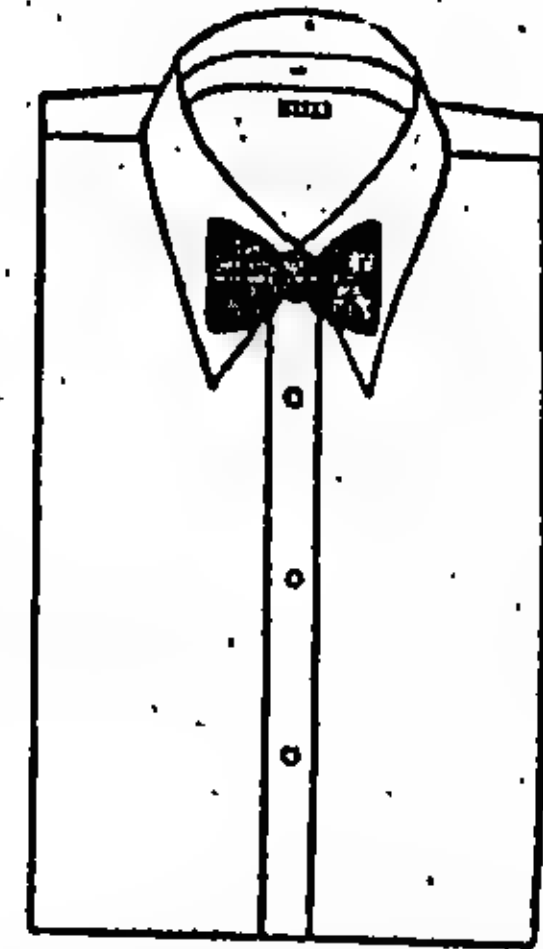
Magistrate: "But I've changed mine. Do 60 days."

Sunday was observed as a day of intercession by the Parsee (Zoroastrian) Community of Hongkong, and prayers were held at the Zoroastrian Building, 101 Leighton Hill Road. The ceremony was well attended by the Zoroastrian Community.

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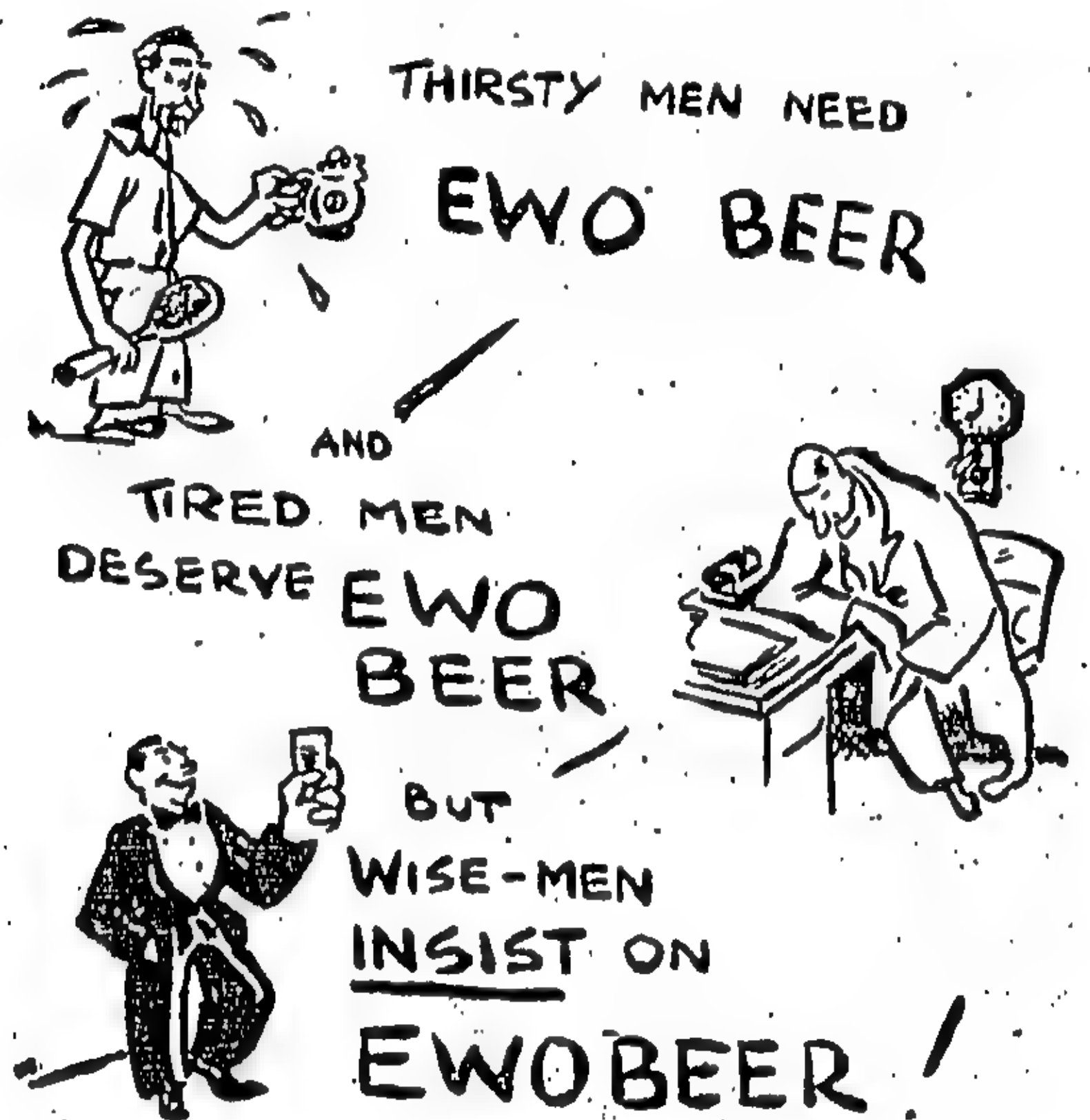
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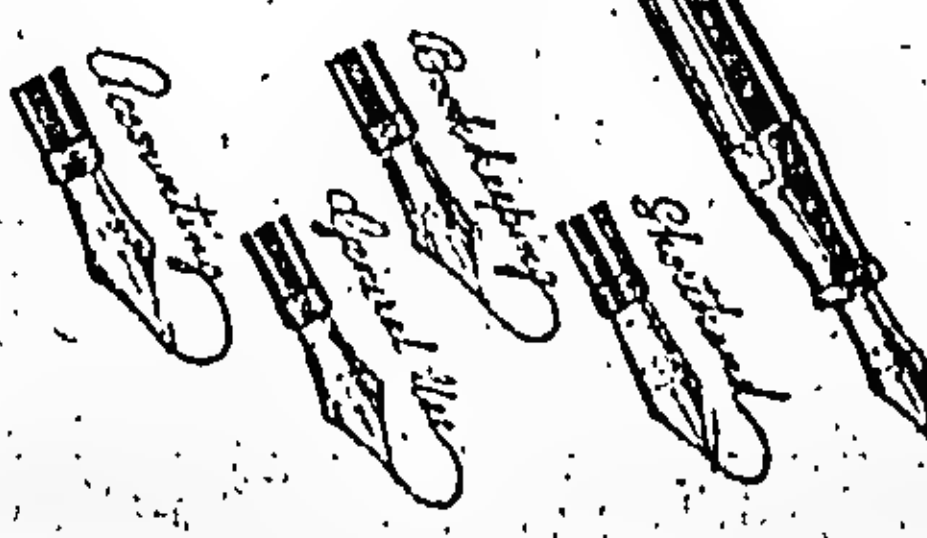
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By Ernie Bushmiller



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## NAZI OIL SUPPLY DWINDLES

Russian Campaign Becoming Costly

Many oil observers who have been studying the oil position of Germany since that country launched its invasion of Russia, are of the opinion that the Nazis are not nearly as well off with respect to petroleum supplies as they were a few months ago.

Emphasis is placed on the fact that the German armies and air force, after the expenditure of enormous quantities of motor fuel, diesel oil and lubricants, are still a long way from the principal Soviet oil fields and at the same time Germany has lost such oil as it had been getting from Russia. Prior to the outbreak of the German-Russian war, the Soviet was estimated to be allowing shipments of oil to the Reich at the rate of 4,000,000 barrels or more annually.

**Three Major Factors**  
In discussing Germany's oil position, one authority, "The Oil and Gas Journal," points out three major factors:

"The preoccupation of the German fighting forces in Russia has resulted in more severe raids by the British on German petroleum storage and synthetic oil plants.  
"Russian armies are reported to have carried out heavy and repeated air raids on the Rumanian oil fields and refining centres. Although results are conjectural, some damage resulted, according to Soviet communiques.  
"Germany's use of petroleum must have been extensive in the Russian campaign so far. Distances traversed by the Nazi armies have been great and large quantities of mechanized equipment used have been a factor in greatly increasing the daily use of petroleum products, particularly gasoline and lubricating oils. Nazi armies have been forced to fly long distances from their bases in order to bomb objectives along the battle front and in the Soviet interior."

**Purpose Of Drive**  
The situation in which Germany finds herself with respect to petroleum, it is pointed out, will naturally become worse the longer the war with Russia is prolonged. Many have believed that the main purpose of the German drive into Russia, aside from seizure of food in the Ukraine, was to obtain control of the Caucasian oil fields and eventually, by another push, to seize Iran and Iraq oil fields.

Well informed quarters hold that if the Nazis fail to crush major Russian resistance before the fall comes, the war may be substantially shortened by the Anglo-American-Soviet combination holding the whip hand with unlimited supplies of the oil vital to modern war of machines.

## Invention To Protect Subs

Decoy Periscopes

EAST ST. LOUIS, Ill.—Walter Boyne, an amateur naval strategist at the age of 12, believes he has a method of protecting American submarines from hostile craft.

And his plan to decoy destroyers from submarines while the latter attack convoys has been turned over to experts of the National Inventors' Council for further study.

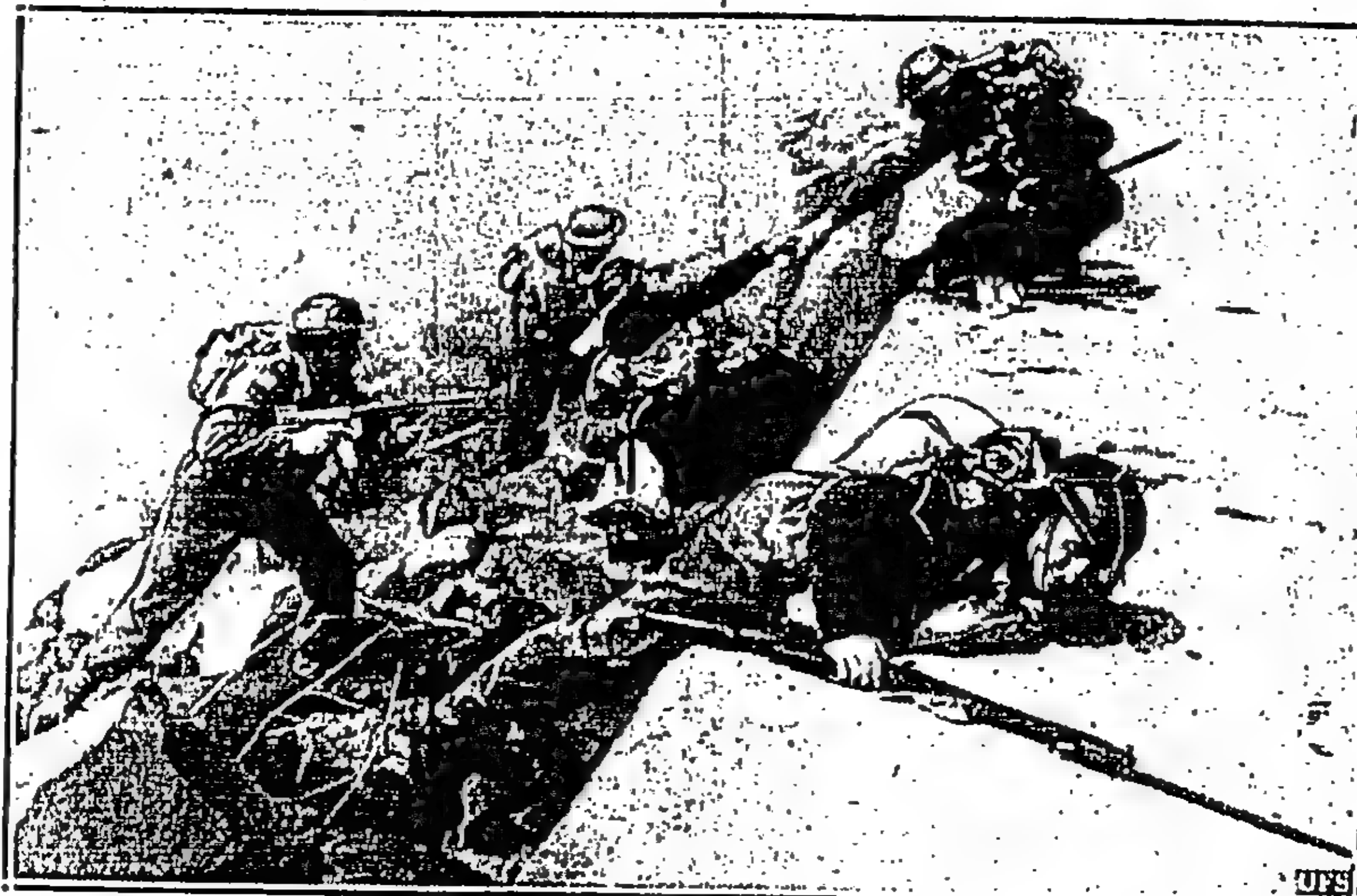
Walter was impressed with the manner in which destroyers on convoy duty change after the fleeing periscopes of preying U-boats to drop depth bombs.

He hit on this: The American sub could expose its periscope briefly to sight the objective, then dive, releasing a dummy periscope to decoy protecting warships.

While enemy craft converged to discharge depth bombs, the submarine could double back into the convoy and attack.

**Miss Nancy Cunard Barred From U.S.**

Miss Nancy Cunard, daughter of the late Sir Bache Cunard, was denied entry into the United States recently.  
Miss Cunard had arrived in New York in a Spanish liner from Havana (Cuba), where the United States Consulate had refused her a visa.  
Miss Cunard, 45, after her divorce in 1925 from Mr. Sydney Fairburn, resumed her surname by deed poll.  
Her father was the third baronet, the first baronet, Sir Samuel Cunard, founded the Cunard Line of steamships between the United States and Britain. It has been merged with the White Star Line.



BRITISH "INVADERS"—While encouraging unrest in occupied countries with the "V" campaign, the British are polishing up an invasion technique presumably in preparation for an attack of their own on the continent, possibly in Finland. Here troops storm up from seacoast rocks to capture an "enemy" mole during manoeuvres in Northern Ireland.

## Radio Technicians Off To Britain To Spot Planes

With their thumbs up, and cheerful and anxious "to help Britain win the war," twenty-five American radio technicians who volunteered to handle the recently developed plane locators left on the first leg of their journey recently. Under the leadership of Squadron Leader E. W. Russell, in charge of the Civilian Technical Corps, which recruited the radio men, they departed at 9:35 p.m. from the Pennsylvania Station for Montreal. They will cross from Canada to England by ship.

The relatives of the men going to England shed no tears when they saw them off in the hall of the station. The mothers, the wives and the sweethearts of the volunteer technicians put up a brave front, saying that they were proud of the "new" and glad to have them "do their bit." J. Murray Mitchell, an American adviser to the C. T. C., sent the radio men off with the words that they were the vanguard of American defence.

"In operating the radio locators," he said, "the radio men among you will be the first of thousands in this country of a most important weapon, and when and if you are needed here to defend our own country and to teach our own men you will be released at once."

A. H. Tandy, British Consul in New York, stressed the importance of civilian aid in winning the war and expressed to the departing men the hope that they would return fortified to build a peace-based on the understanding between the United States and the Commonwealth of the British Empire.

### 7,000 Applicants

Twenty-seven men, whose ages range from sixteen years to fifty-two, were selected by the C. T. C. to be the first to go to England. There are more than 7,000 applications being examined throughout the United States, Mr. Russell said. The applicants have to pass a technical, medical and political test before being accepted. About 1,000, of the

applicants are considered likely to be taken.  
The volunteers have signed contracts for a maximum of three years to be passed in England, working on radio locators or other technical devices. They are paid \$38 a week and expenses. They will receive temporary khaki uniform in Canada and the regular gray-blue uniform of the R. A. F. when they arrive in England.

"When boarding the train the volunteers raised their thumbs defiantly and some of them raised two fingers forming the letter "V" for victory. Mr. Russell left with them for Montreal.  
The youngest in the group is Edwin S. Savage Jr., sixteen, of 580 Palsade Avenue, Teaneck, N. J. Anxious to go, he gave his age as eighteen when interviewed by the officers of the C. T. C. His parents, Mr. and Mrs. Edwin S. Savage sr., who were at the station, said that they were glad to have their son go, since he had set his heart on going.

## VALTIN ASKS PARDON

Convicted on an assault charge in Los Angeles in 1936, Richard Krebs (Jan. Valtin), has asked Governor Culbert Olson of California for a pardon. Author of the best-seller, "Out of the Night," Valtin served a term at San Quentin and later was deported. Now he faces deportation for having re-entered the United States illegally.

## STRONG FLEET IN EAST

The Australian Federal Cabinet is believed to consider that maximum naval strength at Singapore will deter indefinitely any Japanese desire to move further southwards writes the Melbourne special representative of the Sydney "Daily Telegraph."

Observers in Melbourne say that, as a result of Federal Government action last week, certain changes may have been made in the disposition of British naval forces.

One point on which Australia has made her attitude clear to other Governments is the need for maintaining the strongest possible naval force at Singapore, adds the "Telegraph" representative.

It is believed that the Cabinet has decided that any British decision on an attitude toward Japan must be backed up by ability to take swift action, if necessary.

It is to make certain of concerted and effective action that the Australian Government has been in such close contact with the other Governments concerned.

Important changes in the disposition of Australian armed forces might result from the presence of the former Prime Minister, Mr. R. G. Menzies, in Britain.

The Australian view is that a Japanese invasion of Thailand would be a direct threat to Singapore and the Netherlands Indies, and would have to be opposed vigorously.

If a major clash were imminent, Australia would probably contend that Empire Far East defences should be of maximum strength, even at the cost of withdrawing men or ships from other places, adds the "Telegraph" writer.

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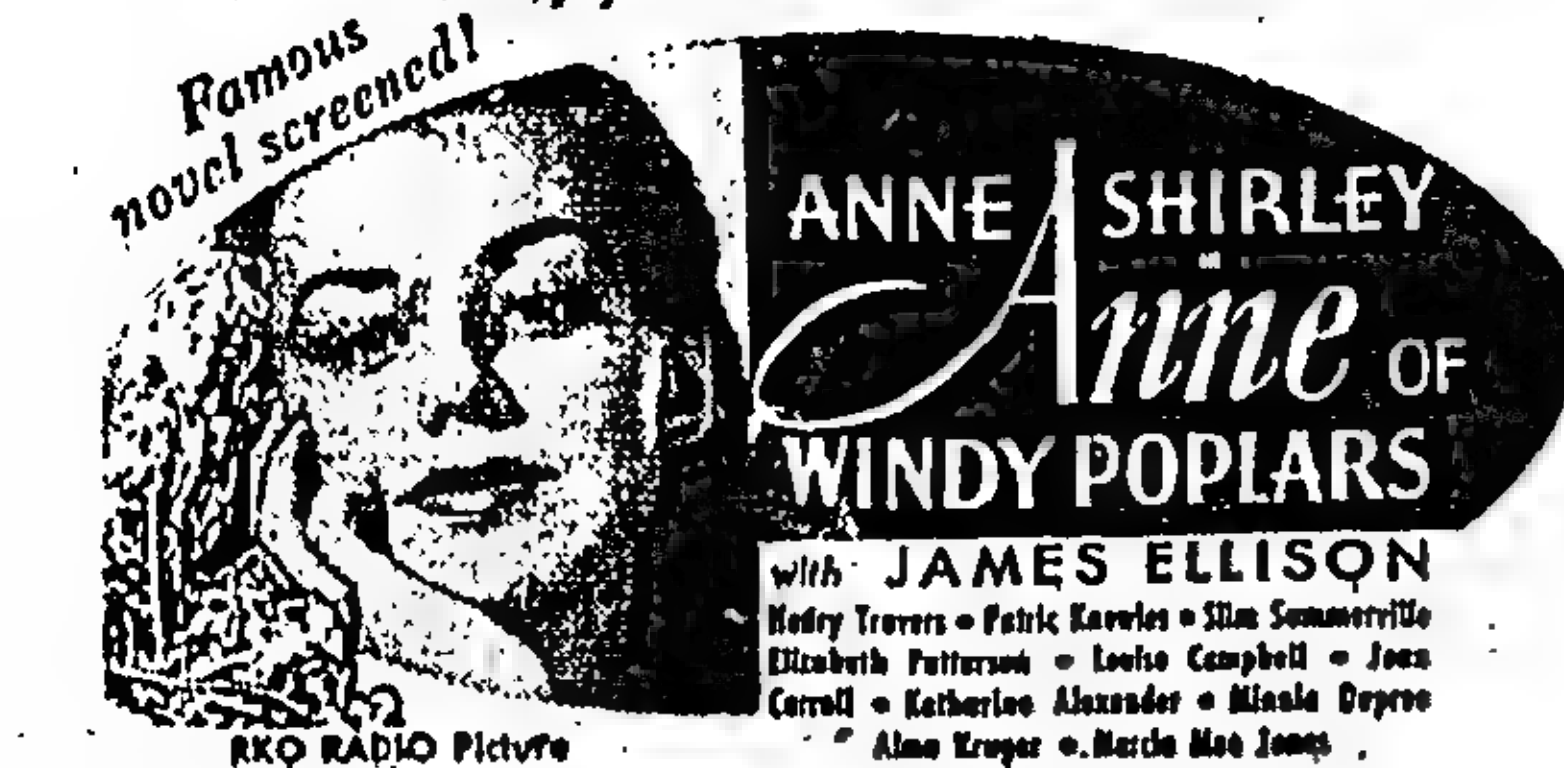
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## Lease-Lend Aid And British Trade

FROM PAGE ONE

between Britain and the United States, and asked whether it was the Government's intention to abandon export trade.

The Parliamentary Secretary to the Board of Trade, Captain Charles Waterhouse, replied that it was certainly not the intention to abandon export trade.

**Oil Shipments**  
"United Press" adds that previously, Mr. Horan had demanded that further shipments of oil to French North Africa should be refused until the existing stocks there had been exhausted or reduced to negligible quantities.

Mr. Dingle-Foot admitted that French warships escorting French merchant ships across the Mediterranean had used the oil for bunkering purposes, but stressed the fact that Britain had never agreed to transport fuel oil, whereupon Mr. Shinnell asked, "Do I understand that the United States Government is sending oil to North Africa despite the British Government's protests?"

Mr. Dingle-Foot replied, "This question relates to fuel oil used by naval and merchant vessels. The cargo which went through on the Scheherazade did not include fuel oil."

**Exclusively For War Purposes**  
WASHINGTON, Sept. 10 (UP)—The State Department has issued a memorandum in which Mr. Anthony Eden, the British Foreign Secretary, declared that all materials received in Britain under the Lend and Lease bill are being used for war purposes. Mr. Eden denied that the goods are being diverted to private commercial channels.

**Memorandum**  
LONDON, Sept. 10 (Reuter)—The British Government have given the United States Government firm assurances respecting the use of materials received under the Lend-Lease Act.

Correspondence between the two governments is published as a White Paper.

Under to-day's date, Mr. Anthony Eden, the British Foreign Secretary, sent to the United States Ambassador a memorandum in which he stated that all materials which Britain obtains under the Lend-Lease Act are required for the prosecution of the war effort.

The British Government have taken and will continue to take action to ensure that these goods are not in any case diverted to the furtherance of private interests.

Lend-Lease materials sent to Britain have not been used for export and every effort will be made to ensure that they are not used for export subject to principles that where complete segregation of the materials in question shall be at least equal to the amounts received under the Lend-Lease Act.

**No Trade Rivalry**  
The British Government have not applied and will not apply any materials similar to those supplied under the Lend-Lease Act in such a way as to enable their exporters to enter new markets or extend their export trade at the expense of United States exporters.

The United Kingdom export trade is restricted to the irreducible minimum necessary for the war effort. No materials of a type whose use is being restricted in the United States on grounds of short supply and of which Britain obtains supplies from the United States—either by payment or by Lease-Lend terms will be used in exports with the exception of the following:

**Exceptions**  
(1) Material which is needed overseas for essential war supplies for ourselves and our Allies and which cannot be obtained from the United States;  
(2) Small quantities of such materials needed as components of exports which otherwise are composed of materials not in short supply in the United States.

Repair parts for British machinery and plant now in use or needed to complete installations under construction so long as they already have been contracted for.

Steps are being taken to prevent export except to the Empire and Allied territories of such goods which do not come within the three categories mentioned above.

Materials similar to those provided under Lease-Lend which are not in short supply in the United States will not be used for export in quantities greater than those which Britain produces or buys from any sources.

The memorandum then goes on to deal with distribution in the United Kingdom of Lease-Lend goods and states that the remuneration received by the distributors is controlled and will be no more than a fair return for the services rendered.

**No Speculation**  
Arrangements rigorously exclude any opportunity for speculative profit by private interests dealing in Lease-Lend goods.

In the distribution of Lease-Lend goods, there will be no discrimination against United States firms.

No food obtained on Lease-Lend terms will be sold at uncontrolled prices.

Thus the general arrangements as regards the issue of Lease-Lend food into the British Government's policy of stabilising the price of foodstuffs—a policy to which the Government contribute £100,000,000 per year.

The correspondence ends with a letter from Mr. John G. Winant, the American Ambassador, to Mr. Eden stating that the latter's memo will be transferred to Washington for the United States Government's information.

It is explained in official quarters in London that the assurances are neither a reversion of Britain's export policy nor do they mean a drastic restriction of trade. Their effect at most would be to hasten certain restrictions which have had to be made in any case.

That was being done to counteract the propaganda used by the isolationists and others which is causing damage to the British cause in America.

## A.R.P. INQUIRY RESUMED TO-DAY

FROM PAGE ONE

an estimate, which we did. We were then asked to make a trial for 200 feet of tunnel.

Let's say something more about this estimate. What was it?—Witness produced a copy of the estimate.

The Chairman read out the document which stated: "In accordance with your request (Mr. Bishop's) we beg to submit the following prices for tunnelling 8 x 7 1/2 feet arch shape either in Hongkong or Kowloon."

The Chairman (to Witness): Did Mr. Bishop ask you to submit an estimate for the Hongkong side too?—No.

Then why did you mention Hongkong?—Because at first I didn't know whether we were to make tunnels on both or one side only.

**Spoke To Fohi**  
What did Mr. Bishop say when he approached you?—He didn't speak to me. He spoke to my fohi.

But your fohi told you what was said, didn't he?—He did but I cannot remember very clearly now.

Can you remember whether your fohi did tell you that Mr. Bishop had asked for an estimate for the Hongkong side?—I don't think he told me that.

From your letter, the position is this: You were prepared to make tunnels on the Hongkong side according to the prices you quoted. Is that right?—Yes, certainly.

Had your firm ever done any of this class of work before?—Never before.

Had your workmen any previous experience in making tunnels?—Yes, in the interior of China where they had made tunnels for railways.

But not tunnels for A.R.P.?—No.

**The Estimate**  
According to your estimate you say you were prepared to excavate rock from 0 to 50 feet deep, from work face per cubic yard. What does that mean?—That quotation was for excavations of rock for an area from the entrance of the tunnel 50 feet in length only after that the price would be higher.

Your price is to make a tunnel 50 feet in length at \$25 per cubic yard in rock and \$5 per cubic yard in soft?—Correct.

And for the timbering of the tunnel you quoted \$10 per cubic yard?—Yes.

And then you went on with a sliding scale upwards, 50-100 feet, 100-150, 150-200, 200-250, 250-300 at varying prices which rise slightly according to the length of the tunnel?—Yes.

Your maximum quotation was \$50 per cubic yard for a tunnel 300 feet long?—Yes.

That was in rock and in soft ground the quotation was \$10?—Yes.

And for the close timbering of that tunnel you charged \$30 per cubic yard?—Yes.

You also confirmed that all these prices would cover the supply of all implements and labour for day and night divided into three shifts of eight hours each?—Yes.

In the alternative you said that you would be prepared to do the work on implements to Government?—Yes.

And you gave them a list of the instructions and the amount you would charge per month?—Yes.

That is on the assumption that Government would do the work itself and you hire the instruments?—Yes, sir, I was prepared to do that.

**Estimate Not Accepted**  
What was the next thing that happened when you sent in the estimate?—That estimate was not adopted.

What happened?—About a month or two after submission of that estimate I was requested to submit another estimate.

Who were you requested by?—Mr. Bishop.

Have you got the further estimate there?—The second estimate was about workmen.

At this stage, Mr. Blake suggested that all correspondence relative to the estimate be produced, which was adopted.

The Chairman: Apparently on September 13, seven days after you sent in this estimate, you got a letter from Mr. Bishop in which he confirmed the prices for tunnelling work contained in your letter of the 11th?—Yes.

And he says he has been authorised to instruct this firm to proceed with the work as soon as possible about up to a footage of 200 feet?—Correct.

He tells you that the site of the tunnel mentioned will be pointed out on the ground by Mr. Campbell?—Correct.

And you were instructed to submit to Mr. Bishop at the office the cost sheets so that the cost of the work may be worked out for the basis for further extension of the scheme?—Yes.

**Letter To Mr. Bishop**  
Now, the next letter is one dated November 13 from Kln Lee and Company to Mr. Bishop?—Yes, sir.

In this letter you informed Mr. Bishop, as follows: "With reference to our Mr. Kwong Wing's recent conversation with your goodself on the above subject, namely, A.R.P. tunnels in Kowloon, we confirm the arrangements made whereby we agree to carry out any work in connection therewith, at the rate of 10 per cent. over and above actual cost of materials and labour, all pieces work, tenders of cost and materials to be approved by your engineer, Mr. Campbell, before carried out. We will, of course, endeavour to keep the cost down to the best of our ability."

## Timoshenko's Forces Deal Crushing Blows

FROM PAGE ONE

of the Soviet tanks, artillery and air force. The Nazis are falling back under the powerful blows of our troops and operations for smashing the enemy panzer group are continuing."

**Nazi Smashed At Gomel**  
LONDON, Sept. 10 (Reuter)—A German motorised division was smashed at Gomel in Marshal Timoshenko's second counter-offensive in the central sector, according to the official Russian news agency.

**Nazi Claims Unconfirmed**  
MOSCOW, Sept. 10 (UP)—The German claims of the encirclement of Leningrad cannot be confirmed here.

Dispatches report bloody battles without indicating the military positions.

The determination to defend the ancient capital house by house was reiterated at a radio meeting last night which was addressed to leading citizens, workers, engineers and soldiers. Engineer Nikolai Nizovinn said, "When the enemy is at the gates of Leningrad, when the rear of cannon reaches our homes, we stood fast at our fighting posts. Especially, we are entrusted with the task to forge terrible weapons for the Red Army."

**Raid On Leningrad**  
MOSCOW, Sept. 11 (Reuter)—The following is the text of the mid-night communique issued by the Information Bureau:—

"During September 10 our troops continued to fight stubbornly against the enemy along the entire front.

"On September 8, German aircraft destroyed in air combat and on enemy aerodromes were 59. We lost 27 planes. On September 9 German planes made several attempts to raid Leningrad, but every time were driven back by our air force and anti-aircraft fire. About 10 p.m. some isolated enemy planes broke through to Leningrad at high altitude and dropped high explosives and incendiaries in various parts of the city. Several fires broke out in dwelling houses as the result of the air raid.

"Our air force and anti-aircraft fire destroyed 31 German planes on approaches to Leningrad, over the city and on enemy aerodromes."

**Battle Of Leningrad**  
BERLIN, Sept. 10 (UP)—The great Battle of Leningrad rages with undiminished fury according to competent German sources, with the Russians desperately defending every inch of ground on the city's main fortification lines.

There are no new reports of the progress of the land fighting, but competent German quarters claimed that the German-Finnish advance is proceeding according to plan, while the German press estimated that the ring is now drawn at all points within a 25 kilometer radius around the city.

Dispatches to the Propaganda Company reported that great fires are blazing on both sides of the Neva River where the Russians have set fire to all villages and farms as they retreat. The Luftwaffe during the past few days has been carrying out non-stop mass attacks on the highways around the city, tearing up tracks and wrecking stations beyond recognition.

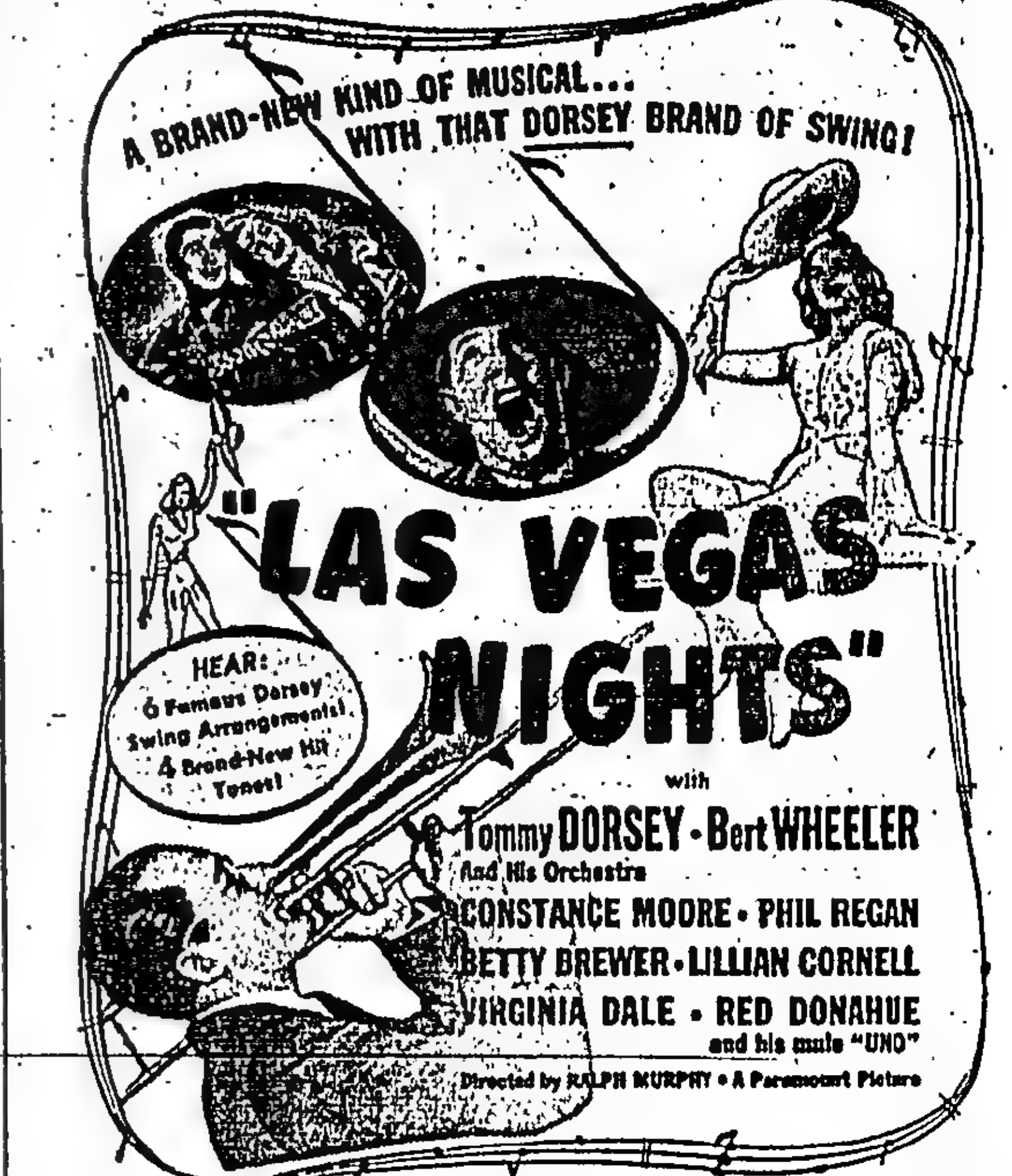
**Pressure Of Finns**  
NEW YORK, Sept. 10 (A)—A London radio message picked up here said that the Russian-Finnish negotiations for a separate peace were interrupted due to "formidable pressure" from Berlin. It was added that they are expected to be resumed shortly.

The announcer said that Russia had accepted the restoration of the 1939 Finnish border as a basis for negotiations.

**LATE NEWS**

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## Further Revelations At A. R. P. Inquiry CONTRACT CHANGED TO COST PLUS 10% AT THE REQUEST OF MR BISHOP

THIS MORNING'S RESUMED PROCEEDINGS IN THE INQUIRY INTO CERTAIN MATTERS AFFECTING THE ARCHITECTURAL OFFICE OF THE AIR RAID PRECAUTIONS DEPARTMENT CENTRED ROUND THE EXAMINATION OF THE MANAGING PARTNER AND SUPERVISOR OF KIN LEE, BUILDING CONTRACTORS, WHO SECURED THE CONTRACT FOR THE CONSTRUCTION OF A.R.P. TUNNELS IN KOWLOON.

In the course of his evidence, Kwong Wing, the Supervisor, admitted that after an estimate had been submitted for work on 200 feet of tunnelling and had been agreed upon by the Government, he was asked to submit a further estimate based on cost plus ten per cent. which meant that for the 200 feet of tunnelling Kin Lee received more money than under the original contract.

### ATTACK ON TURKEY EXPECTED

#### Nazi Preparations

ANKARA, Sept. 10 (UP).—Informed quarters here now consider that a German attack upon Turkey will be made in the autumn and will open up a second front in the Middle East. Travellers report intense though perhaps long-range military activity in Bulgaria.

General Brauchitsch is expected to visit Sofia soon, while Admiral Raeder is inspecting German naval stations. Apparently most of the precautions are converging on Black Sea ports, particularly at Varna where numerous small ships from Rumania are still arriving, while German air and naval personnel, troops, petrol and ammunition are steadily increasing.

At the same time there is a constant dispatch of German troops from Rumania to Bulgaria.

### Sessa Survivors Tell Story

SPECIAL TO THE "TELEGRAPH"

WASHINGTON, Sept. 10 (UP).—Survivors of the steamer Sessa today told the State Department that the ship was torpedoed without warning and sunk within two minutes.

The survivors include H. J. Bjerg, Danish Chief Mate; Ole L. Junggren, Swede; J. Do Oliveira Carreira, Portuguese who were picked up by the destroyer Lansdale. They said that the ship was torpedoed at midnight on August 17 about 300 miles from Reykjavik. Two shells struck the vessel amidships after she had been torpedoed.

## Errors Of Judgment In Ferry Plane Crashes

LONDON, Sept. 10 (Reuter).—Errors of judgment were mentioned by the Air Minister Sir Archibald Sinclair in the House of Commons today in giving results of investigations into two fatal crashes of Atlantic aircraft in which 44 lives were lost.

Sir Archibald said that the first accident is attributed to an error in navigation which caused the aircraft to strike a mountain under conditions of bad visibility which were not, however, such as to have justified cancellation of the flight.

Kwong said that Mr Bishop of the P. W. D. told him one day that if the tunnel was longer than 200 feet the original price would be dearer than that based on cost plus 10 per cent and he therefore asked Kin Lee to change the contract to a cost plus basis.

In a later part of his examination, Kwong Wing said that without any contractual authority he sub-let some of the work, including a contract to his wife, who was sole proprietress of a transportation company, for carrying away muck from the tunnels.

### Nazis Admit Progress Will Be Slow

Calm Before The Storm

BERLIN, Sept. 10 (UP).—German quarters today were silent regarding the ground fighting along the entire central front, but the authorized German military spokesman stated that the lack of reports from the Leningrad area could be taken as the calm before a storm. He cautioned, however, that the time required to take the city is still uncertain and competent German quarters indicated that the reduction of the fortress-like city with a potential garrison of four million would probably be a slow process.

German reports continued to emphasize the Luftwaffe's role on the various fronts. The official news agency termed Tuesday's raid on Odessa as "a hailstorm of bombs on the port works and military objectives."

An authorized military spokesman asserted that during the past 41 days the Luftwaffe had delivered 50 attacks on objectives in the Suez area. He pointed out that the presence of German troops on the Neva river closes the final loophole for the escape of the Soviet Baltic fleet comprising two old battleships, three battleships under construction, at least six submarines, about 30 destroyers, of which half are damaged, twelve torpedo boats, about 100 submarines and numerous smaller units such as mine sweepers, speed boats and outboard boats.

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The inspectors' finding in the case of the second accident is that it was due to the bad judgment of the captain; firstly in taking off along a wrong runway, presumably, through oversight; secondly in allowing the aircraft to swing to port, with the result that it left the runway and took to the grass; thirdly, in not shutting off the engines immediately this occurred.

In neither case was there evidence of negligence on the part of the authorities, of sabotage or of mechanical defects.

According to your estimate you say you were prepared to excavate

## Timoshenko's Forces Deal Crushing Blows

MOSCOW, Sept. 10 (Reuter).—In a fierce counter-offensive southeast of Smolensk, Marshal Timoshenko's forces have driven the Germans across the River "N", destroying 238 tanks, 50 aircraft, 486 lorries and 135 guns, according to a war correspondent of the "Red Star," the Soviet army organ. Some 4,000 Germans were drowned in the river, he claims. Although the name of the river is withheld it may be noted that the Dnieper runs southwards between Smolensk and Yelnya city, 45 miles southeast of Smolensk which the Russians have already captured.

## U.S. WARNING TO JAPAN AGAINST NEW MOVES

SPECIAL TO THE "TELEGRAPH"

LONDON, Sept. 10 (UP).—Foreign diplomats in London today confirmed the reports that Washington had warned Japan against attempt at northward expansion at the cost of Russia, as well as any resumption of her southward drive.

The warning appears to have been delivered in the early stages of the past three weeks' American-Japanese conversations. The implications as reported go beyond the unwillingness to countenance Japanese interference to American or Allied war material shipments to Vladivostok. If true, the United States warning was applied without distinction to the threatened Japanese northward or southward advance. Diplomats here say that it would represent democracies' most valuable aid to Russia given thus far.

## Vicious Attack On Prison Officer

### Mr Barrett Seriously Hurt

A vicious and unexpected attack by a convict on Chief Officer Harold Barrett at Stanley Gaol yesterday morning resulted in the European officer being sent to Queen Mary Hospital with a knife cut in one leg which reaches the bone.

This morning Chief Officer Barrett was reported to be "fairly comfortable."

## Americans Must Take War Risks

WASHINGTON, Sept. 10 (Reuter).—Mr Cordell Hull revealed today that the Germans had refused to assure safe passage to any American ship proceeding to Britain to fetch United States citizens. The State Department therefore, had taken emergency measures to permit Americans stranded in belligerent countries to return home in planes and ships other than American.

He emphasised that this was not a blank authorisation to use belligerent transportation, but would be limited to applications to accommodate Americans marooned many months.

There had been a terrific clamour among Americans in Britain, Europe and Asia to return, he explained, adding that between 70 and 100 Americans in Britain alone must return within a few weeks or lose their citizenship.

A large number were technicians who went to England in connection with the war now waged to return.

### Special to the "Telegraph"

CHUNGKING, Sept. 10 (UP).—Pledging that China will continue to resist Japan to the bitter end, Generalissimo Chiang Kai-shek in an exclusive interview with the "United Press", today expressed his hope and belief that "while China is continuing her fight, the economic sanctions directed against Japan by the United States and other nations friendly to China will be intensified, or at least in no way be relaxed."

"Such should be, and I trust is, the bond of understanding, binding all nations interested in Pacific affairs that are committed to the policy of opposition to aggression."

### Four Years' Resistance

The Generalissimo continued, "For more than four years, China has resisted Japanese aggression, Japan was the first to disturb world peace and is still striving and scheming to develop aggressive ideas. However, her fighting strength has diminished perceptibly, adding with a smile, "and so is her arrogance."

Asked to what he attributed this, he replied, "Two factors are largely responsible for the situation confronting Japan today: First, China's determined resistance, and second, the economic sanctions enforced under the leadership of the United States, such as freezing Japanese assets and the embargo on the shipment of war materials to Japan."

It is evident that the prime object of Japan's present diplomatic moves is to bring about the cessation of Chinese resistance or what she calls the liquidation of the 'China incident' and the relaxation of economic measures directed against her by the United States and other democratic nations."

### Will Never Waver

Asked if it was likely that Japan would succeed, he said, "I would emphatically tell our American friends that for her part, China will not waver in her policy of continuing to resist to the bitter end, nor will she fail to make any further sacrifices which may be required until the Far East and the

TURN to Back Page, Column 3

## GERMANS ADMIT RETREAT

NEW YORK, Sept. 10 (UP).—Berlin radio this evening admitted that the Russians are now 60 kilometers from Smolensk. The broadcast which was heard at the "United Press" listening post, said that on Monday and Tuesday, Soviet detachments and their retreat in Russia, German positions 60 kilometers north-east of Smolensk, supported by tanks, but "all Soviet attacks were broken in the bloody battle."

### See Back Page For Further Late News

## Remarkable Odyssey Of Escaped Frenchmen

LONDON, Sept. 10 (Reuter).—The amazing Odyssey of 183 French officers and men captured by the Germans during the Battle of France last year was disclosed when they arrived this morning at a London railway station where they were given a warm welcome by representatives of the Free French forces and of the British Army.

All these men escaped from various German prison camps and after incredible experiences and hardships succeeded in crossing the frontier into Russia. In Russia they were interned but the Soviet authorities released them as soon as Germany attacked her.

Few of these men spoke German but one captain in particular, whose name must remain a secret because he has a family in France, spoke German fluently. Disguised in civilian clothes and often wearing

knives deep in snow in the depth of winter with the temperature at 20 degrees below zero, they had to walk many miles before reaching Russia. After their release in Russia, they were collected together and taken by ship to a British port. They are of the toughest type in the French Army. Many of them had tried to escape from Nazi prison camps several times before. Many have wives and children in France, about whom they have been without news since they were taken prisoner last year. All are filled with a burning hatred of the Germans and their one ambition is to avenge last year's defeat of France. They have, of course, joined the Free French forces.



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Demand London	1/2 1/2
T.T. Shanghai	400
T.T. Singapore	52 1/2
T.T. Japan	102 1/2
T.T. India	82 1/2
T.T. U.S.A.	24 1/2
T.T. Manila	40 1/2
T.T. Batavia	40 1/2
T.T. Saigon	148
T.T. France	103
T.T. Switzerland	107
T.T. Australia	10 1/2

BUYING

4 m/s L/C London	1/3 1/4
4 m/s D/P London	1/3 1/4
4 m/s L/C U.S.A.	23 1/4
4 m/s France	84 1/2
30 d/s India	84 1/2
U.S. Cross rate in London	4.02 1/2
U.S. Cross rate in N.Y.	—

## Girl Aged 15 Practised Prostitution

The admission that she was a prostitute was made by a 15-year-old girl this morning, when Hung Hing-yung, 21, spinster, of No. 88 Jaffe Road, Wanchai, was charged before Mr. H. G. Sheldon, K.C., at Central Magistrate's court, with knowingly suffering a girl under the age of 16 years (the girl in court) to be carnally known by a man.

Defendant pleaded not guilty and said that she did not know Chan's age.

Det. Sub-Inspector R. J. Clarke, prosecuting, said that there was no question that the girl had been with men for some time. She had admitted it.

**An Orphan**  
Giving evidence, Chan said that she was born in Kwongmoon and lost her parents when she was six years of age. She was adopted by relatives who later sold her as a mulatto. She left her master and came to Hongkong about a month ago with a travelling trader who supported her for some time. Later she was taken to Defendant's house by another person who had since left the Colony. She engaged a room for \$18 a month but had not paid any rent as yet as she had not completed a month there.

Asked by the Court how she found "er men," the girl said she picked them up on the street and took them to her room.  
Sub-Inspector Clarke said that he raided the place yesterday and found the girl under the age of 16 years. When questioned the girl had told him that she had given her age to Defendant.  
Chan however, denied this morning that Defendant had ever asked her what her age was.  
Defendant was remanded for 24 hours for further inquiries to be made.

## Cost Of Living In Gt Britain

LONDON, Sept. 10 (British Wireless).—The Ministry of Food, in a statement in the House of Commons this afternoon that the cost of living index which had risen by between 45 and 60 per cent. between July, 1914, and July, 1916, had only risen by 28 per cent. between August 1, 1939, and the same date in 1941.  
For food only, the corresponding increase was 21 per cent. (1914-1916) and 22 per cent. (1939-41).  
Major Lloyd George, Parliamentary Secretary, added that the total net expenditure on food subsidies up to March 31, 1941, was approximately £20,000,000. Similar figures were not available as to expenditure incurred since that date but the present rate of expenditure was in excess of £100,000,000 yearly.

## Dentz In France

MARSEILLE, Sept. 10 (UP).—General Dentz, former Governor-General of Syria, arrived here at 8.30 today, two hours ahead of schedule.

## NEW ADVERTISEMENTS.

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## Soviets See Turning Point

### Germany Losing War

LONDON, Sept. 11 (Reuter).—"The Soviet Union is bearing the brunt of Hitler's attack, thereby diverting from England the danger of invasion and air raids and making it possible for her ally to undertake active and decisive actions against the common enemy," says the "Pravda," official organ of the Communist Party, quoted by Russian War News.

"The German called Dunkirk Britain's greatest defeat," the newspaper says, "but the British, for whom Dunkirk was one of their severest trials, call it their greatest success. As subsequent events have proved, Dunkirk was the turning point of the British-German struggle, marking the conversion of the blitzkrieg into a long and protracted war."

"At Dunkirk it seemed that everything was against Britain but Britain did not capitulate, and Hitler lost the Battle of Britain as he lost the Battle of the Atlantic," the Russian newspaper says.

**Forces Multiplied**  
"A little more than a year has elapsed," the journal continues, "since British troops evacuated Dunkirk, and during this period Britain's armed forces have multiplied many times over. Whereas Hitler has come up against a firm resistance he has not succeeded in carrying through his blitzkrieg plans. The Nazi attack on the Soviet Union was the turning point in this world war. The forces of Hitler Germany, faced as they are by prospects of an ominous winter, will inevitably diminish and become exhausted, while the forces of anti-Hitler are invariably growing in volume," concludes "Pravda."

## Busy Burma Road

### Chagrined Japanese See Activities

KOBE, Sept. 10 (Domei).—Nine Japanese evacuees from Burma who arrived here to-day said that more than 1,500 American-made trucks were now carrying war materials to Chungking over the Burma route and are bringing back wood-oil and tin which are virtually selling every warehouse in Rangoon.

"British ships seldom arrive in Rangoon and most war materials destined for Chungking are being brought by American ships or ships chartered by American companies," evacuees said.  
"With the cost of living rising in Burma, British authorities are having a difficult time readjusting and stabilising Burmese economic life," they said.

## MENACES CHARGE

On bail of \$1,000, Chang Kit-long, 25, unemployed, appeared before Mr. G. T. Lowry at Central Magistrate's court this morning on two counts of demanding \$100 with menaces from a Chinese merchant at Hotel Cecil on September 9, and intimidation on September 10.  
Det. Sgt. White prosecuted and Mr. C. A. Sutherland Russ appeared for Defendant.  
Hearing of the case was fixed for September 18 at noon.

## Death Sentence For Greeks

BERLIN, Sept. 10 (UP).—The German newspaper, the "Berliner Donau Zeitung," reports from Athens that German military authorities in Greece announced that the death sentence had been passed on a Salonika merchant who helped two British to escape, and on three farmers from the vicinity of Athens for possession of arms, as well as on a farmer at Crete for sabotage of German army telephones.  
It said that the Greek Government had placed under control of the State all property of a number of former Greek statesmen and all of their relatives.

## Chartered Bank Dividend

The following telegram was received to-day from the Head Office, in London, of the Chartered Bank of India, Australia and China: "Directors have declared an interim dividend for the past half year at the rate of 10 1/2 per cent. subject to income tax dividend payable on 1st October."

# Roosevelt May Seek Repeal Of Neutrality Act

Special to the "Telegraph"

ABOARD THE PRESIDENT'S TRAIN EN ROUTE TO WASHINGTON, Sept. 10 (UP).—President Roosevelt will meet either to-night or on Thursday Mr. Cordell Hull, Col. Henry Stimson and Col. Frank Knox, indicating that an important decision concerning the international situation may be forthcoming.

It is also announced that President Roosevelt expects to broadcast for 25 minutes instead of the originally scheduled 15 minutes on Thursday night.

It is understood that his address has been revised in view of the latest developments.  
If members of the Cabinet are available, President Roosevelt will see them to-night; otherwise he will meet them before he delivers his speech on Thursday. The President is also scheduled to meet the Legislative leaders.

**Possible Points of Speech**  
Observers commented that the President and his colleagues may discuss the possibility of repealing the Neutrality Act and they recalled that President Roosevelt's Labour Day speech mentioned the need of additional ships to safeguard shipments of American war supplies to nations fighting the Axis.

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## Corinth Canal Bombed By British Air Force

CAIRO, Sept. 10 (UP).—The R.A.F. communiqué issued to-day states that the R.A.F. bombed the Corinth Canal on Monday night. "A number of direct hits were registered on both banks of the Canal and it is estimated that considerable damage was caused. On the same night, the Heracleion aerodrome was attacked."

"The R.A.F. attacked the landing grounds at Mortunen, Derna and Gazala, and machine-gunned motor transport on the road between Derna and Tobruk, starting a number of petrol fires."

R.A.F. planes patrolling shipping off Cireneia yesterday beat off a large force of Messerschmitts.

## S'hai's Black Outlook On New Exchange Ruling

SHANGHAI, Sept. 10 (Reuter).—"Unending trials, difficulties and tribulation" are seen confronting Shanghaiers by the "Finance and Commerce"—leading British financial weekly—following discontinuance of the open market for foreign exchange.

Pointing out that Shanghai's import surplus during the first seven months of the year totalled £13,500,000 and in July exceeded £3,000,000, the "Finance and Commerce" states, "It cannot be denied that the stopping of certain classes of imports must strike a serious and perhaps fatal blow at a large number of small firms and industries upon which hundreds and probably thousands of people now depend for their livelihood."

"Prices will rise not because of the depreciation of the currency but because those with goods to sell will exploit them to the full." With a view to rectifying this situation "Finance and Commerce" urges rationing and strict price control.

The only bright feature the weekly sees in the possibility of an expansion of Shanghai's export trade and a resultant improvement in the exchange position.

**Japanese Imports**  
In this connection the weekly says that reports are current that there is a possibility the Japanese will import silk and other goods from Japan and will sell them to foreign exporters here.

"This would unquestionably boost exports (leaving out the question of shipping) and would provide foreign export firms with more trade and authorised banks with larger amounts of exchange."

The weekly states that this sounds well in theory but it foresees several difficulties.

**Gold Bar Speculation**  
The effect of the disappearance of the open exchange market on gold bar speculation has been almost overwhelming, it stated. The turnover is now "insignificant." Idle and frustrated gold speculators have turned during the past two weeks to the yarn market and since the beginning of this week particularly, enormous interest has been taken."

**No Manipulation**  
CHUNGKING, Sept. 10 (Central News).—With 14 foreign exchange banks in Shanghai agreeing to discontinue quoting black market exchange rates of the Japanese and their puppets will be unable to absorb Chinese foreign exchange to any appreciable extent, according to information from banking circles.

It is admitted that some money exchange shops and brokers are still active in the Shanghai black exchange market but the amount of transaction will be negligible having no effect on the exchange market.

The measures for controlling the exchange markets in Hongkong and Shanghai which were decided upon at the conference in Hongkong under the auspices of the Chinese Currency Stabilization Board are more thorough than those in the past. From now on exchange quotations will be solely decided upon by the Board and it is expected that the new arrangements will contribute greatly to the control of trade stabilization of the dollar and management of foreign exchange.

**No Speculation**  
Arrangements rigorously exclude any opportunity for speculative profit by private interests dealing in Lease-Lend goods.

The distribution of Lease-Lend goods, there will be no discrimination against United States firms.

No food obtained on Lease-Lend terms will be sold at uncontrolled prices.

Thus the general arrangements as regards the issue of Lease-Lend food into the British Government's policy of stabilising the price of foodstuffs—a policy to which the Government contribute £100,000,000 per year.

The correspondence ends with a letter from Mr. John G. Winant, the American Ambassador, to Mr. Eden stating that the latter's memo will be transferred to Washington for the United States Government's information.

It is explained in official quarters in London that the assurances are neither a reversion of Britain's export policy nor do they mean a drastic restriction of trade. Their effect, at most, would be to hasten certain restrictions which have had to be made in any case.

That what has been done to counteract the propaganda used by the isolationists and others which is causing damage to the British cause in America.

**U.S. Tax Bill**  
WASHINGTON, Sept. 10 (Reuter).—The House and Senate conferences considering the \$3,584,000,000 tax bill agreed upon a number of technical differences in connection with a difference in the versions of legislation approved by the two Chambers.

House leaders began their efforts to-day to have all members back on the job by September 16 to expedite final Congressional action on the bill.

## BANKS

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Reserve Funds obtained on 22,000,000  
Reserve Liability of Proprietors £100,000

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Canton	Kuala Lumpur	
Cebu	Manila	
Colombo	Medan	
Delhi	Peking	
Haiphong	Shanghai	
Hankow	Tientsin	

FOREIGN EXCHANGE and General Banking Business transacted.

CURRENT ACCOUNTS opened and FIXED DEPOSITS received for One Year or shorter periods in Local or Other Currencies at rates which will be quoted on application.

SAVINGS ACCOUNTS also opened in Local Currency and sterling with interest allowed at rates which will be quoted on application.

The Bank's Head Office in London undertakes Executor and Trustee business and also acts as a collecting agent for Income Tax overpaid, or terms which may be ascertained at any of its Agencies and Branches.

W. H. EVANS THOMAS, Manager.

## HUNTING ENEMY SHIPPING

### Successful Attack By Beauforts

LONDON, Sept. 10 (Reuter).—Beaufort aircraft of the Coastal Command, continuing the hunt for enemy shipping off the southwest coast of Norway to-day, located a German convoy and torpedoed a supply vessel, states the Air Ministry.

One Beaufort, piloted by the Squadron commander, flew through heavy anti-aircraft fire to release a torpedo.

The air-gunner of another Beaufort, describing the result of another hit, said: "A massive white cloud of spray or steam shot up." When last seen, the ship had come to a complete standstill.

**Twenty-Minute Fight**  
A third Beaufort had a 20-minute fight with a Messerschmitt. The rear-gunner was wounded and replaced by the wireless operator, who had already been wounded but continued to operate the gun until the Messerschmitt gave up the chase after receiving many hits.

While the crippled Beaufort was limping home, the crew—all sergeants—though knowing that they might come down in the sea, took off their life-saving jackets to make a comfortable bed for the wounded gunner.

The other Beauforts returned safely.

**Fighter Command**  
LONDON, Sept. 10 (Reuter).—The Fighter Command in the course of offensive patrols to-day attacked gun positions in northwest France and enemy ships in the North Sea. One of our aircraft is missing.

**Englishwoman Who Loves Japan**  
SPECIAL TO THE "TELEGRAPH"  
WAKAYAMA, Sept. 11 (Domei).—At least one English woman will remain in Japan despite the evacuation advice from the British authorities, Miss Catherine Davis will make a permanent home at the Shirahama hot springs in Wakayama Prefecture.

Earlier this year, Miss Davis went to Sydney but finding her nostalgia for Japan too strong she turned back to Japan in April. An 18,000 Yen mansion is being completed at Shirahama as the Finance Ministry has not frozen her deposits. Long interested in the Kongo school of the "Noh" drama, Miss Davis intends to donate a fund for constructing a "Noh" theatre in Kyoto in the near future.

Indications are that this time it is the Russians who will initiate the forward movement and it remains to be seen whether the Germans are as good at applying the brake as they are at rolling forward by sheer weight of masses of metal and incredible disregard for the wholesale massacre of their manpower.

**Mass Of Men**  
Fighting, as it has been developed in the Russian campaign by the Nazis, proceeds by enormous surging movements of vast masses of men and material which gather momentum as they go and are incapable of being stopped. Superb fighting skill can gradually slow them to a temporary standstill by applying braking action to their impetus. It is then only a matter of days or even hours before the movement re-starts, surges, is slowed and halted. Three times have the Russians thus held the entire might of the Nazi surges forward and three times they fought them to a standstill.

Indications are that this time it is the Russians who will initiate the forward movement and it remains to be seen whether the Germans are as good at applying the brake as they are at rolling forward by sheer weight of masses of metal and incredible disregard for the wholesale massacre of their manpower.


**Letters**  
Picketing Newspaper  
The Editor, Hongkong Telegraph.

Sir,—The report of the "Hongkong Telegraph" on September 8, on the picketing of a pro-Leftist paper is the first incident of its kind in this Colony. At this time when the Allies need the co-operation of all the Leftists, especially the Russians, the Hongkong authorities will doubtless check such unbecoming excesses. I cannot understand why the men behind the picketing racketeers do not pick the pro-Axis journals which are numerous here. They must be told, in unqualified terms that Hongkong as a British territory now prefers Leftism where aim it is to rescue the weak, although his methods may be wrong, to Fascism which enslave the masses to a Dictator.

And China may not welcome Communism. But the Chinese populace will certainly not tolerate in the long run the Fascist weapons dealing with the political opponents.

Ho Sun-jen.

**Answer To Correspondent**  
Y. K. Chan.—You have overlooked the legal aspect of the case. The magistrate's decision was based upon this.



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The Business Man's Favourite Rendezvous

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Quick Snacks and Refreshments

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By  
**Aladdin**



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NEW STYLES  
NEW LOVELINESS**

**The World's Most  
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3-Thread 42-Gauge High  
Twist Chiffon. All Silk,  
in all these pleasing  
shades, Sherry - Beige,  
Crushed - Petal, Salute,  
California Sun and Pre-  
cious.

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5-Thread Semi-Service Weight. Fine Lisle  
Foot and Top, in three most useful Shades,  
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9 to 10½

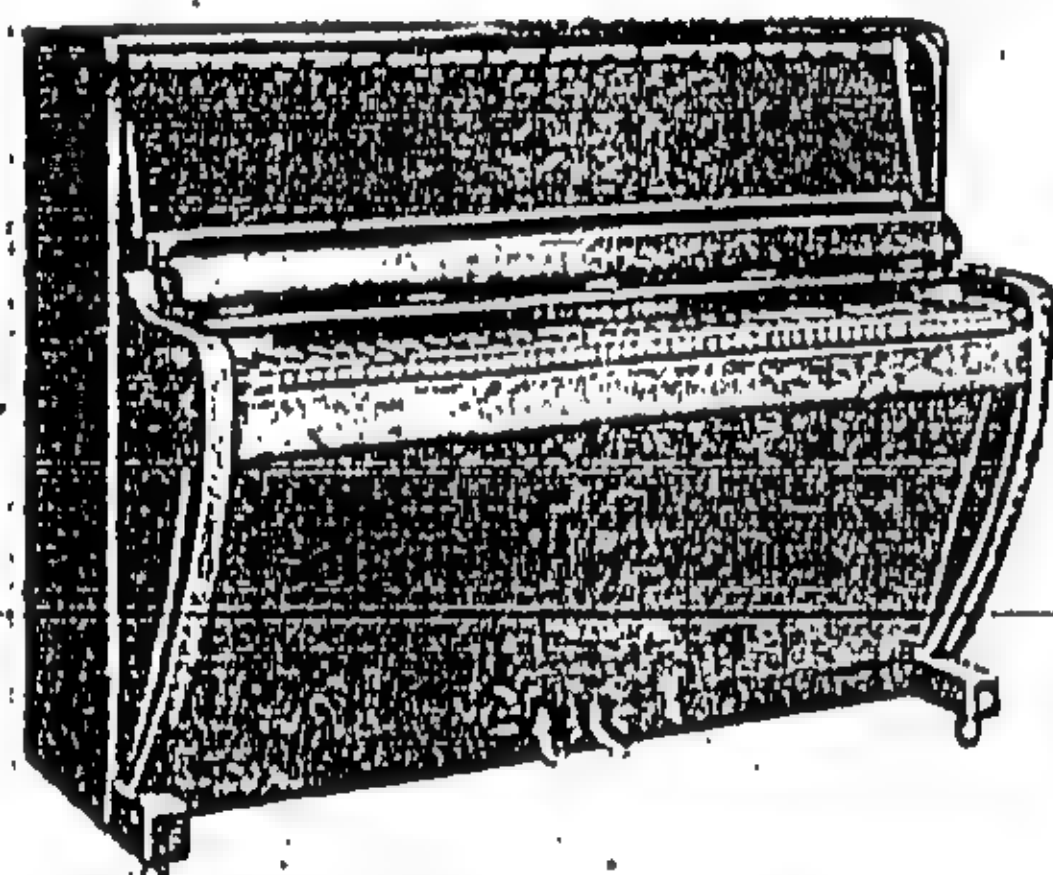
at **\$4.50** pr.

### NYLON STOCKINGS

In two shades, Shocking and California Sun  
Sizes 8½ to 10½

at **\$7.95** pr.

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**MOUTRIE  
PIANOS**

**THE NEW "MODERNE" MODEL**

**A FULL SIZE UPRIGHT PIANO  
MAGNIFICENT TONE  
RESPONSIVE TOUCH**

**S. MOUTRIE & CO., LTD.**  
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### KOWLOON CRICKET CLUB

**Band Concert, Barbecue and Dance**

**Saturday, 27th September 1941, 9.15 p.m.**

#### POINTS FOR PATRONS.

**ADMISSION** is by ticket only; obtainable at all  
clubs at \$1.50 each.

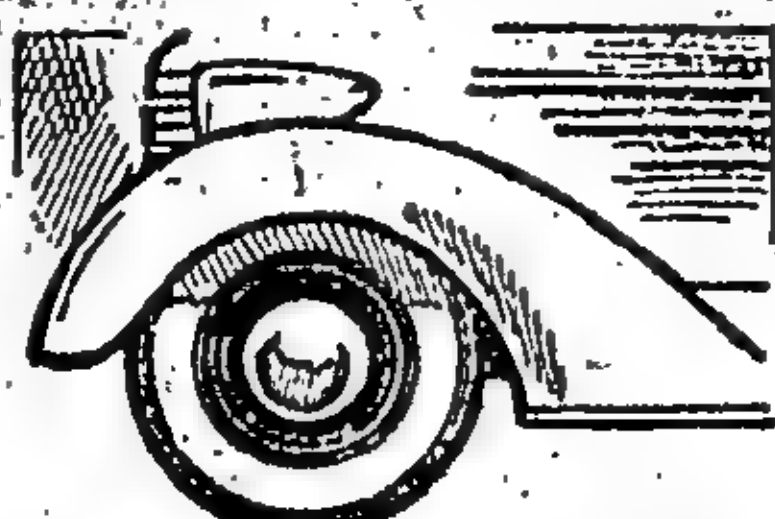
**SEATING** for those who wish to listen to the Band  
will be provided in rows, and not at tables.

**LIQUID REFRESHMENTS** and the means for  
drinking them will be available for all at club  
prices.

**SOLID REFRESHMENTS** will be obtainable  
on presentation of the retained perforated half  
of the entrance ticket.

#### THE BOMBER FUND BENEFITS.

**Make Up Your Parties And Buy  
Your Tickets Early.**



**The LATEST  
IN AUTOMOBILE  
ATTIRE**

When you dress your car, do a  
complete job. . . Don't stop with  
polishing or waxing the body and  
cleaning the windows. . . dress  
the tires also with WHIZ WHITE  
TIRE COATING.

Give your car that sought after,  
smart appearance. . . that finished  
look that only white sidewall  
tires can give you. . . use WHIZ  
WHITE TIRE COATING.

White sidewall tires by WHIZ for  
the latest in car.

**Attire . . .**



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HOTEL  
GARAGE**  
Stubbs Rd.

**The  
Hongkong Telegraph.**

Thursday, Sept. 11, 1941.  
Wyndham St., Hongkong  
Telephone: 26815

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#### U.S.-JAPAN TALKS

**SELDOM** if ever before has  
so little been known about such  
momentous negotiations as those  
which are now being carried on  
between Tokyo and Washington;  
their very secretiveness gives  
them added drama and import-  
ance and the entire world is  
anxiously and a little impatiently  
waiting for the pronouncements  
by President Roosevelt and  
Prince Konoye which, it is be-  
lieved, will go a long way  
towards clarifying the obscure  
and threatening situation in the  
Pacific.

Hongkong has a very direct  
interest in the outcome of the  
U.S.-Japan talks, particularly in  
view of the hints thrown out  
during the last few days that  
they may result in Japan with-  
drawing from the Axis and  
aligning herself more with  
America and Britain. The im-  
mediate reaction to such a possi-  
bility is whether it will make  
possible the lifting of the evacua-  
tion restrictions, for, as our late  
Governor, Sir Geoffrey North-  
cote made clear in public state-  
ments, the position will be  
reviewed in the most favourable  
light possible once the political  
situation has become clarified in  
the Far East.

But it would be unwise to be-  
come too optimistic about the  
Tokyo-Washington conversa-  
tions, for the issues at stake  
concern not Japan and America  
alone, but Britain, China and  
the Netherlands East Indies:  
wherefore any concessions which  
Japan might be prepared to  
make must take into considera-  
tion the interests of these last  
three named countries. Addi-  
tionally, it is doubtful whether  
the Konoye Cabinet can attempt  
such a political volte-face as  
overthrowing the Axis without  
causing serious repercussions  
internally—repercussions which  
may completely undo any  
useful work which the current  
negotiations accomplish. A further point which  
makes any deal delicate is  
what sort of quid pro quo does  
Japan expect and what is  
America likely to offer.

The lifting of economic sanctions  
by the democracies for the total  
abandonment of the Axis may satisfy  
Japan, but Britain, the United States  
and the N.E.I. will probably require

**THEY ARE NOT ALONE**

By Billiken



## SPOTLIGHT ON TOKYO TODAY

### Foreigners' Irksome Existence

BY H. O. THOMPSON

This is the fourth article in this new series by the  
former Tokyo Manager of the United Press. In the con-  
cluding article to-morrow, Mr Thompson will write on  
some of the effects of the economic measures recently  
applied against Japan and her possible next move.

The life of foreigners in  
Japan to-day is in shocking  
contrast to the life of ease  
and luxury once regarded  
as a symbol of residence in  
the Far East.

It is a life where procure-  
ment of even the simplest  
things means worry, toil  
and mounting expense.  
Shoes, cotton materials,  
suitable clothes, all import-  
ed articles such as special  
foods, toilet requisites or  
tobaccos, are unobtainable.

Theoretically, a foreigner  
is still entitled to import 50  
yen worth of merchandise  
each month, provided the  
articles are not on the ban-  
ned list, but in practice it  
does not work out that way.  
Permits are required and  
that entails red tape, delays  
and often frustration.

The activities of the  
Japanese police and gen-  
darmes, who are constantly  
checking on foreigners, pro-  
vide annoyance, irritation,  
mental or physical discom-  
fort, depending on the in-  
dividual. The police depart-  
ment's parting salute to me  
was to break open a locked  
brief case in my cabin while  
I was watching the ship's  
departure from the pro-  
menade deck.

#### AMERICAN WOMEN

The American community  
in Tokyo and Yokohama  
has dwindled from about  
2,000 to a few hundred,  
mostly businessmen, Em-  
bassy officials and other em-  
ployees, a few newspaper-  
men and some whose careers  
are linked with Japanese  
activities.

There are only three wo-  
men on the American Em-  
bassy list left in Tokyo.  
Mrs Joseph Clark Grew,  
other assurances, such as renuncia-  
tion of further aggressive designs;  
even the withdrawal of Japan's troops  
from southern Indo-China and the  
Thailand border. For it is reason-  
able to believe that abrogation of the  
Tripartite Pact on the part of Japan  
will not in itself mean that she has  
given up her Greater Asia Co-  
prosperity Sphere plans. It is danger-  
ous to assume that only as an Axis  
partner will Japan continue with her  
scheme; hitherto all her actions on  
the continent have been made in-  
dependently, and it will need a tan-  
gible display of good faith beyond  
the renunciation of the Tripartite  
Pact to convince that she is willing  
to give up her imperialistic ambitions.

There is no decent flour in  
Japan. Matches, rice, and fuel  
are rationed, and although there  
has been some improvement in fu-  
el supply they are not always  
obtainable even up to the ration  
allowance. Building materials

wife of the Ambassador, is  
one of them. The others  
are Mrs Henri Smith-Hut-  
ton, wife of the Naval At-  
tache, and Mrs Stanley  
Slavens, wife of the Ameri-  
can Consul.

There are also half a  
dozen girl secretaries and  
code clerks, employees of  
the State Department.

Virtually all the wives of  
American businessmen have  
taken themselves and their  
families back home. The  
men who are left are doubl-  
ing up in bachelor messes,  
getting along as best they  
can and counting the days  
until they can get away.

Wives of American army  
officers attached to the Em-  
bassy were ordered out of  
Japan two months ago. The  
Navy personnel consists of  
Attache himself.

Even without State Depart-  
ment urging, women began leav-  
ing Japan as long ago as last  
August. The difficulties of  
housekeeping, particularly if  
there were children, had to come  
to outweigh the benefits of keep-  
ing the families together. A  
couple of sturdy boys in one  
American household were keep-  
ing their feet off the ground  
only by stuffing cardboard in  
their worn-out shoes. While  
they were doing that, six pairs  
of new shoes which had been  
sent out from America, were re-  
posing in the Tokyo post office,  
awaiting an import permit  
which the head of the family  
was never able to obtain.

#### BAD FLOUR

All these substitute products  
are referred to as "su-fu," de-  
rived from the first syllables of  
staple and fibre, which the Ja-  
panese pronounce, "su-ta-pu-fu"  
without bothering to find a word  
of their own as an equivalent  
of the German "ersatz."

are so scarce that necessary  
house repairs frequently can not  
be made.

There was a bad drought last  
summer and last autumn, and  
water was rationed. Some  
houses had no water for weeks  
except what was brought in from  
pumps some distance away. And  
there was a limit to that.

Trains, street cars and buses  
are overcrowded, and travel is  
dangerous because of the lack  
of repairs and replacements.  
Buses and taxicabs are mostly  
charcoal-burners, slow, unwieldy  
and uncertain of performance.  
I have been in dozens of taxi-  
cabs which have broken down or  
been unable to climb slight in-  
clines.

There is a "black market" for  
some commodities where prices  
are high and quality low. The  
prices of practically everything  
are fixed by law, with the result  
that the articles disappear from  
the market and appear only when  
ample extra fees are provided.  
You can purchase a poorly-tail-  
ored suit of English material in  
Tokyo to-day for \$90, but neither  
the workmanship nor the cloth  
would be of good quality.

#### SU-FU

There is no more imported  
whisky in Japan. Foreign  
cigarettes, of constantly de-  
teriorating quality, are not al-  
ways available. Japanese beer,  
a few years ago considered  
among the better kinds now  
contains substitute materials  
which not only detract from the  
taste but leave disagreeable af-  
ter-effects.

The Japanese have tampered  
even with their medicines. A  
foreign doctor told me he had  
discovered instances where  
harmful ingredients had been  
substituted for ones no longer  
available.

On that same trip I looked at  
Kobe, Osaka and Kyoto to see  
how they were standing the rigid  
wartime restrictions. Osaka is  
booming with munitions mak-  
ing. Kobe's foreign trade has  
fallen off, except to the yen bloc  
countries of East Asia. Lovely  
old Kyoto, Japan's outstanding  
tourist attraction, was practi-  
cally deserted.

Tokyo is not a colourful city,  
but at one time it gave the ap-  
pearance of one because of the  
numerous neon lights at night  
and the beautiful colour com-  
binations in the women's ki-  
monos during the day.

Now the lights have been re-  
moved to conserve power, and  
the kimonos are less colour-  
ful because the new materials are  
inferior. Most of the people  
are wearing old garments to es-  
cape public ridicule, which pa-  
triotism direct at anyone suspected  
of treating the present "crisis"  
with unbecoming frivolity.

The American Club is the cen-  
tre of the social life of non-Axis  
foreigners in Tokyo. The club  
has benefited by excellent  
management and a community  
spirit among its members. It  
has constant difficulties with its  
supplies but hard work, patience  
and good nature under handi-  
caps have kept it going.

When I left Tokyo in July  
there was no noticeable ill-feel-  
ing toward Americans. One  
zealot smashed the windows of  
an automobile bearing Ameri-  
can Embassy license plates. But  
incidents of that kind happened  
even during "normal" times. A  
Frenchman was attacked by ru-  
fians in Kobe and seriously in-  
jured, but none of his assail-  
ants knew his nationality, and  
he just as well might have been  
a German ally.

#### WHOOPEE SHIPS

I heard that there among the  
Japanese who could afford it,  
were taking coastal trips on Ja-  
panese trans-Pacific liners in  
order to have a day and a night  
of freedom from those restric-  
tions. I took a trip to find out  
whether the Japanese were mak-  
ing "whoopie ships" out of their  
merchant marine and, sure  
enough, they were. They do  
not act the way Americans  
might under similar circum-  
stances, but there was a great  
amount of satisfaction in the  
way they ripped open packages  
of American cigarettes, con-  
sumed foreign liquors and raked  
the dining room menus for food  
delicacies.

One charming old gentleman,  
accompanied by a young boy  
who contented himself with pic-  
ture drawing and candy, con-  
sumed double scotches and soda  
in alarming quantities all the  
way from Yokohama to Kobe.  
He had a few before breakfast,  
too, but went off the ship under  
his own steam.



# WITNESS SAYS CONTR ACTORS WERE REFUSED 10 PER CENT ON SLEEPERS

→ FROM PAGE ONE

rock from 0 to 50 feet deep, from work face per cubic yard. What does that mean?—That quotation was for excavations of rock for an area from the entrance of the tunnel 50 feet in length only and after that the price would be higher.

Your price is to make a tunnel 50 feet in length at \$25 per cubic yard in rock and \$5 per cubic yard in soil?—Correct.

And for the timbering of the tunnel you quoted \$10 per cubic yard?—Yes.

And then you went on with a sliding scale upwards, 50-100 feet, 100-150, 150-200, 200-250, 250-300 at varying prices which rise slightly according to the length of the tunnel?—Yes.

Your maximum quotation was \$50 per cubic yard, for a tunnel 300 feet long?—Yes.

That was in rock and in soil around the quotation was \$107—Yes.

And for the close timbering of that tunnel you charged \$50 per cubic yard?—Yes.

You also confirmed that all these prices would cover the supply of all implements and labour for day and night divided into three shifts of eight hours each?—Yes.

In the alternative you said that you would be prepared to hire your implements to Government?—Yes.

And you gave them a list of implements and the amount you would charge per month?—Yes.

That is on the assumption that Government would do the work itself and you hire the instruments?—Yes, sir, I was prepared to do that.

**Estimate Not Accepted**

What was the next thing that happened when you sent in the estimate?—That estimate was not accepted.

What happened?—About a month or two after submission of that estimate I was requested to submit another estimate.

Who were you requested by?—Mr. Bishop.

Have you got the further estimate there?—The second estimate was about workmen.

At this stage, Mr. Blake suggested that all correspondence relative to the estimate be produced, which was adopted.

The Chairman: Apparently on September 18, seven days after you sent in this estimate, you got a letter from Mr. Bishop in which he confirmed the prices for tunnelling work contained in your letter of the 11th?—Yes.

And he says he has been authorised to instruct this firm to proceed with the work as soon as possible about up to a footage of 200 feet?—Correct.

He tells you that the site of the tunnel mentioned will be pointed out on the ground by Mr. Campbell?—Correct.

And you were instructed to submit to Mr. Bishop at the office the cost sheets so that the cost of the work may be worked out for the basis for further extension of the scheme?—Yes.

**Letter To Mr. Bishop**

Now, the next letter is one dated November 13 from Kin Lee and Company to Mr. Bishop?—Yes, sir.

In this letter you informed Mr. Bishop, as follows: "With reference to our Mr. Kwong Wing's recent conversation with your goodness on the above subject, namely, A.R.P. tunnels in Kowloon, we confirm the arrangements made whereby we agree to carry out any work in connection therewith, at the rate of 10 per cent. over and above actual cost of materials and labour, all piece work tenders of cost and materials to be approved by your engineer, Mr. Campbell, before carried out. We will, of course, endeavour to keep the cost down to the best of our ability."

We also take this opportunity of confirming the following for supervision of work and hire of certain equipment: No. 1 Foreman \$9.50 per day; 2 Foreman \$1.50 per day; No. 2 Foreman \$1 per day; Night Foreman \$1.50 per day; No. 1 Fitter \$2.50 per day; Draughtsman \$1 per day; Storeman \$1 per day.

Hire of equipment—One air compressor with motor \$200 per month; one sharpening machine \$150 per

month; one exploder \$40 per month?—Yes.

**Terms Agreed To**

The Chairman: In reply to that letter you got one dated the same day from Mr. Bishop?—Yes, Sir.

The letter was read out, as follows: "I have to acknowledge your letter of November 13 and I agree to the terms stated therein."

The Chairman: We have this position. Originally you tendered for this work on a definite basis, so much per cubic yard, they to supply all materials and pay all labour?—Yes, Sir.

And you did 200 feet on that basis?—Yes, when we were told to carry on and start with the work, the price was not then fixed.

He did estimate the price?—We were not paid according to the estimate.

**10 Per Cent. Agreement**

Why not?—Well, eventually we came to an agreement that we were to earn 10 per cent.

Mr. Bishop confirms those prices in the letter to you of September 18 and told you to get on with the job? I got a reply to your letter, yes.

He also told you that Government had accepted the price and instructed you to build a tunnel 200 feet long at those prices?—Yes.

Then what happened?—We had started work.

At these prices?—No, sir.

At what price, then?—We were paid according to the expenditure of how much we expended, the labour, materials, and so on.

Plus 10 per cent?—Plus 10 per cent.

**Nothing In Writing**

The position is that although Mr. Bishop accepted your prices, and instructed you to build a tunnel 200 feet long you in fact built that tunnel on the basis of cost plus 10 per cent?—That was so.

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**Site Pointed Out**

Did Mr. Campbell point out the site for the tunnel?—Yes, he came over with Mr. Bishop.

And did you start the work?—Yes.

You were told in this letter to submit accurate daily cost sheets. Did you?—Yes.

When did you start doing so?—From the first day when we started work.

Did you receive any money in advance from Government?—No.

Did you complete that work, 200 feet?—We did, I think it was some time in November last year.

Do you know how much it came to altogether?—I cannot remember.

Have you got any books which will show us the figure that that particular job came to?—I have no books but I have a list of the costs and expenditure which I submitted to Mr. Campbell.

Have you got a copy of the list?—No.

**Kept No Copy**

Do you mean to tell me that Kin Lee and Company have no record of this job they undertook?—They have no copy of this list but I think the Government has.

Kin Lee keeps no copy of the list which they sent to Government?—They do not keep copies of matters that are unimportant.

I am not talking about important or unimportant matters. I am talking about one matter and that is the construction of the 200 foot tunnel which you completed and which you said you got paid by Government.

We have not been paid yet.

You have not claimed the money from Government?—No, because the work was so satisfactory that we were instructed to carry on the work on other sites.

Haven't your firm been paid for this 200 foot tunnel?—No.

Even though the work was completed nearly a year ago?—Yes, we have been paid but not according to the prices agreed.

Are you not to receive payment though not according to the prices you contracted for?—Yes.

**Paid At Cost Plus**

What price did you receive payment at?—Cost plus ten per cent.

So in spite of the fact that you made a firm offer to the Government to build a 200 foot tunnel at certain rates and in spite of the fact that the offer was accepted by Mr. Bishop on behalf of the Government, you were subsequently paid for that work on a cost plus ten per cent. basis?—We were paid according to the rate of cost plus ten per cent.

Did the cost plus ten per cent work out more than the prices you originally quoted?—Yes.

**Admits Sub-Letting**

Have you in fact sub-let any of that contract?—Yes.

On whose authority did you do that?—Mr. Campbell's.

When did he give you that authority?—I don't remember but from the beginning we had sub-let part of this contract.

How many sub-contractors have you got on the job?—Five.

Are there any sub-sub-contractors?—That I don't know.

Have you got a wife?—Yes.

Is she one of the sub-contractors?—Yes.

**Wife Wins Tender**

What kind of work?—Removal of earth from the tunnels.

Who gave her that sub-contract?—Tenders were called for and as she submitted the cheapest, it was put before Mr. Campbell who accepted it.

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He did estimate the price?—We were not paid according to the estimate.

In other words had you completed the work according to your own quotations, you would have received less than you did on the cost plus ten per cent basis?—Yes.

Will you tell the Commission how it was you came to persuade the Government to vary the terms of the contract?—If we based the cost on our quotations for a 200 foot tunnel, it would be cheaper than the basis of cost plus ten per cent, but if the tunnel were longer then the basis of cost plus ten per cent would be cheaper than the price we quoted.

**Did Not Persuade**

That is not the answer to my question. The position was that you had a binding contract to perform this work at certain rates. That contract was not performed according to those rates but on a new scale. There is nothing in writing, as far as I can see, authorising you to change the rates, and I want to know how did it come about that you persuaded Mr. Bishop to change this basis?—We did not persuade him to pay us in that way.

So he gave you perfectly voluntarily?—Yes.

All of a sudden you woke up one morning to find that Government had changed the contract to cost plus 10 per cent. basis, is that it?—On one occasion Mr. Bishop sent for me. That was after the work had started. He told me that he had worked out the price for making tunnels according to our estimate. If the tunnel is longer than 200 feet, our price, comparing with that based on the cost plus 10 per cent. basis, would be cheaper. Therefore he asked for a change.

I understand what you mean. What happened after that conversation with Mr. Bishop?—He told me to send a letter referring to the interview I had with him.

**Suggested By Mr. Bishop**

Did he suggest to you that you should ask Government to pay you cost plus 10 per cent?—Yes, and he also asked me if I would accept it. I replied yes.

Although you had already contracted this work at certain prices?—That is so.

You knew then that you were going to make more money than if you stuck to the prices agreed?—Yes.

And so did Mr. Bishop?—Yes.

Therefore we got this position: That a binding contract between you and the Government was varied verbally by Mr. Bishop, is that right?—The contract was varied verbally and subsequently confirmed after you had written a letter on November 13?—Yes.

**To Benefit Of Kin Lee**

And that variation was to the detriment of the Government since they paid more?—Yes, only in so far as the 200-foot tunnel was concerned. And it was to the benefit of Kin Lee?—Yes.

You got this new contract from Mr. Bishop on November 13 telling you that he agreed to the terms stated therein, the terms being to carry out the work at the rate of 10 per cent. over and above the cost of material and labour?—Yes.

Since then you had been performing that work on that basis?—Yes.

Have you any idea up to date how many feet of tunnel you have finished?—About 13,500 feet.

And have you any idea how many sites there are?—Five different sites.

**Not One Completed**

Where are they situated?—One opposite the Alhambra Theatre, three in Hungnam, and one in Austin Road.

Are any of these tunnels completed?—Not one.

When did you start work on these five tunnels?—I cannot tell off hand but we started work on the No. 1 tunnel in September.

And then time after time you started more tunnels?—Yes.

To make it clear, am I correct in saying that your only authority for building these five tunnels is your letter to Mr. Bishop on November 13 and his reply to you accepting your terms?—Yes.

There is nothing laid down as to how you should supervise your work, is there?—Nothing in writing but verbally he told me that Mr. Campbell would supervise.

There is nothing in the exchange of letters between you and Mr. Bishop which authorised you to sub-let this contract, is there?—No.

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How did you invite tenders?—We asked different transportation companies to submit us tenders.

How many did you ask?—Four or five—the Oriental Transportation Co., Sam Hing, Chung Lee, Yat Cheong and Kwong Wing. That is all I can remember.

You sent letters to all these people?—No, I myself informed them verbally.

**Not In Picture At First**

Including your wife?—She did not come into the picture at first.

Did you inform your wife like you informed the other people verbally regarding the tenders?—I did.

And what price did she quote you?—\$4 per lineal foot.

What is the name of your wife's firm?—The Wan Tung Transportation Company.

Do you know when it was formed?—Some time in February this year.

Would it be correct to say that it was formed for the purpose of transporting muck from the tunnels?—No.

What other work did it do, do you know?—No, because she looked after the business herself.

She never discussed this firm with you?—Never.

But as far as you know the only work it performed was transporting muck from your tunnels?—Yes.

Can you tell me what the other firms tendered for this contract?—The Yat Cheong tendered \$4.50, as regards the others I don't remember.

Was any of them less than \$4.50?—No.

Do you remember what the Oriental Transportation Company quoted?—\$1 per cubic yard.

What difference is there compared with your wife's tender of \$4?—The Oriental Transportation Company's quotation worked out at \$5 or \$6 per lineal foot.

Did you tell your wife of the other tenders?—No.

Does she live with you?—Yes.

**Sole Proprietress**

What is she exactly in this firm?—She is the sole proprietress, as far as I know.

It was her money which formed the firm?—Correct.

Do you know up to now how much money you had paid that firm for transporting the muck?—It is impossible to tell off hand, because I have to remember so many figures.

Witness was then told by the Chairman to produce at the next sitting a complete statement showing his firm's weekly disbursement on the job from the time it was started up to yesterday.

Mr. Blake pointed out that he had documents with him up to July, while witness said that once every week some from the Government came to his office to take away the weekly sheet of expenses.

**No Copies**

The Chairman: Do you have copies of these?—No.

Are you quite sure about that?—Yes.

A man from the Government comes to your office and takes your vouchers away and you don't keep any copies of them?—No.

How do you know whether you get the correct amount from the Government?—We trust the Government.

Who is this extraordinary gentleman that comes and takes away these documents from you?—Mr. Buchanan of the P.W.D.

After he has taken these documents, you never see them again?—They are all returned.

What happens when you get them back?—We have still got them, we put them away in a cement-concrete safe.

These are the documents we want, will you produce them?—Yes.

On this job you supplied the plant and equipment?—The Kin Lee.

**Sold Some Equipment**

And have you sold any of your plant and equipment to the Government?—Yes, items like small machines for drilling.

You know the total value of your sales to the Government?—About \$5,000.

And you charged Government 10 per cent. on that?—Yes.

What is the total value of the hire of equipment to the Government per month?—\$1,300.

On which you got 10 per cent?—Yes.

What is the capital value of the plant which you hire to Government?—\$45,000.

Have you purchased any timber for lining these tunnels?—Yes.

Who did you buy them from?—At first from Wong Tong Kee, and later from Shum Now, Shing Chow, Lee Yuen Lung, Tai Lee, and Kin Wah, that is all I can remember.

**Purchased 10,000 Sleepers**

Did you purchase any sleepers?—Yes, 10,000.

Who did you buy them from?—From Kin Wah.

Was that for tunnelling work?—Yes.

Did you charge Government 10 per cent. on that?—Ten per cent. on 5,000 only.

Are you quite sure of that?—Yes.

Why didn't you charge 10 per cent. on the whole 10,000 sleepers they were for tunnelling work on the Kowloon side?—I asked Mr. Campbell for it but he refused. He told me that when he or the Government purchased sleepers from Marsman's they never charged 10 per cent.

But didn't Marsman's ever purchase timber from Kin Lee?—Purchase timber from Kin Lee?—TURN TO Back Page, Column 5

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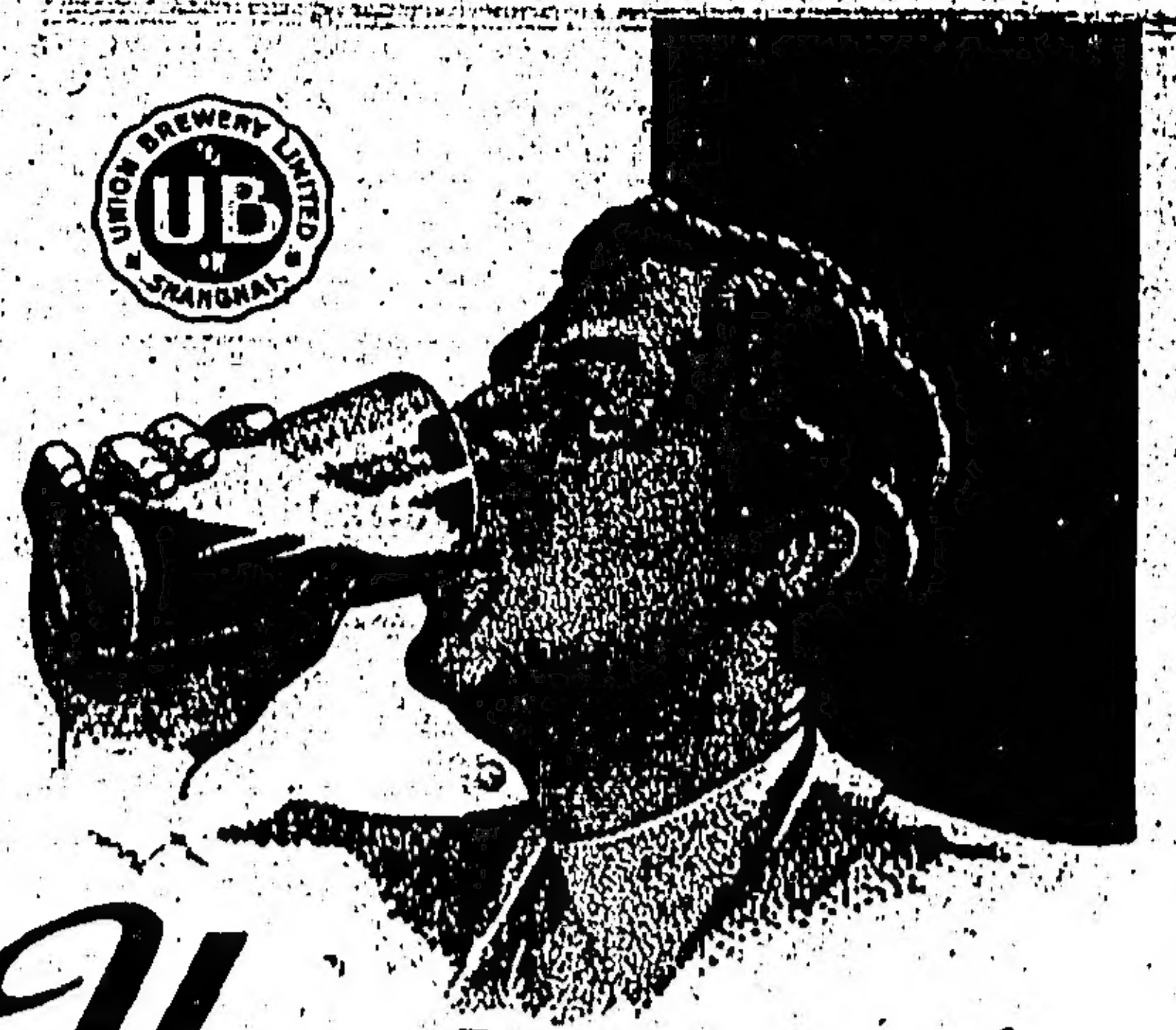




# NANCY

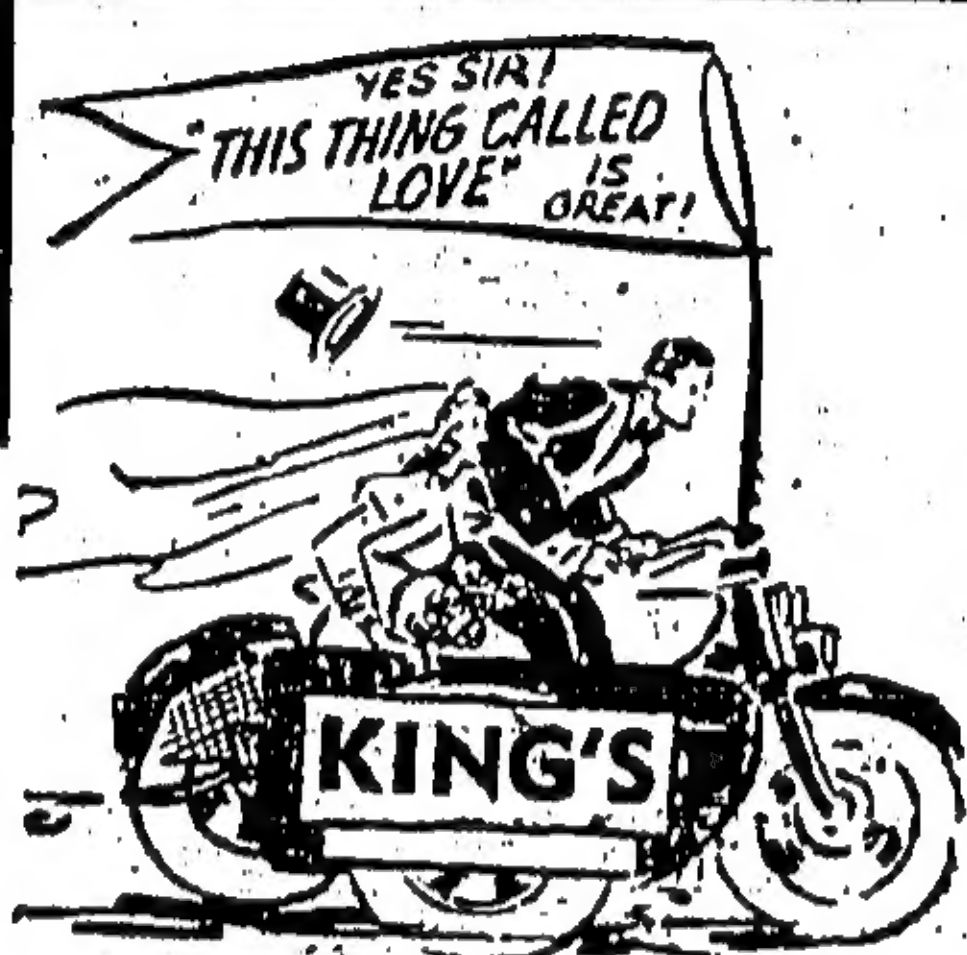


By Ernie Bushmiller



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To UNITED STATES

Last week in September

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## Economic Warfare On Reich

LONDON, Sept. 10 (Reuter).—As a result of the Anglo-Soviet action in Iran Germany will lose not only considerable food supplies but will also be deprived of substantial quantities of jute, cotton and boxwood. The Germans will lose 20,000 tons of cotton yearly. That supplies are short is shown by the fact that Jews in Germany have been deprived of the major portion of their bed linen. Germany's lack of jute will be even more acute owing to the loss of Iranian jute which up to now has been exported to Germany as Russian and jute bags. Boxwood which the Nazis also obtained from Iran is one of the few woods of sufficient good quality to be used in hand-filling shells and bombs and is also used in the manufacture of mathematical instruments, cogs and tool handles.

## Warning To Mariners

The following additional areas in the western approaches to Singapore are closed to shipping by mines. Vessels entering these areas do so at their own risk and peril. (A) An area enclosed by the following lines:—From Number 4 Beacon in position Latitude 01° 15' 14" N. Longitude 103° 40' 00" E. in a direction 276° for a distance of 2.2 miles, thence in a direction 360° to the coast of Pulau Ayer Merbau, and from Number 4 Beacon in a direction 360° for a distance of 0.68 miles, thence in a direction 270° to the coast of Pulau Ayer Merbau. (B) An area enclosed by the following lines:—From a position in Latitude 01° 13' 34" N. Longitude 103° 40' 33" E. on the south east coast of Pulau Bukom in two directions. (1) In a direction 110° for a distance of 0.1 miles, thence in a direction 160° to the coast of Pulau Sebarok. (2) In a direction 180° to the coast of Pulau Sebarok, thence in a direction 104° to the south east point of Pulau Sebarok. Charts Affected, Nos. 2403, 2587, 3833, 3836 and 3837.

## Quarters For Hsu Mo Family

SYDNEY, Sept. 10 (Reuter).—Dr. Hsu Mo, the Chinese Minister to Australia, will present his credentials to Lord Gowrie on September 16 at Canberra, where five houses are already acquired to accommodate the party of 24, including nine children. The "Daily Telegraph," in a leader on Dr. Hsu's arrival and that of Mr. Nelson T. Johnson, the American Ambassador, says "We want to see every Pacific country stand as courageously and uncompromisingly against aggression as the heroic people Dr. Hsu represents."

## U.S. Rail Strike Is Delayed

WASHINGTON, Sept. 10 (Reuter).—The threatened rail stoppage has been delayed as President Roosevelt has ordered the creation of a board of five members to investigate railway wage differences. This in effect delays the stoppage as in accordance with the Railway Labor Act the strike must be delayed at least 30 days after the report of the investigators has been handed to the President.

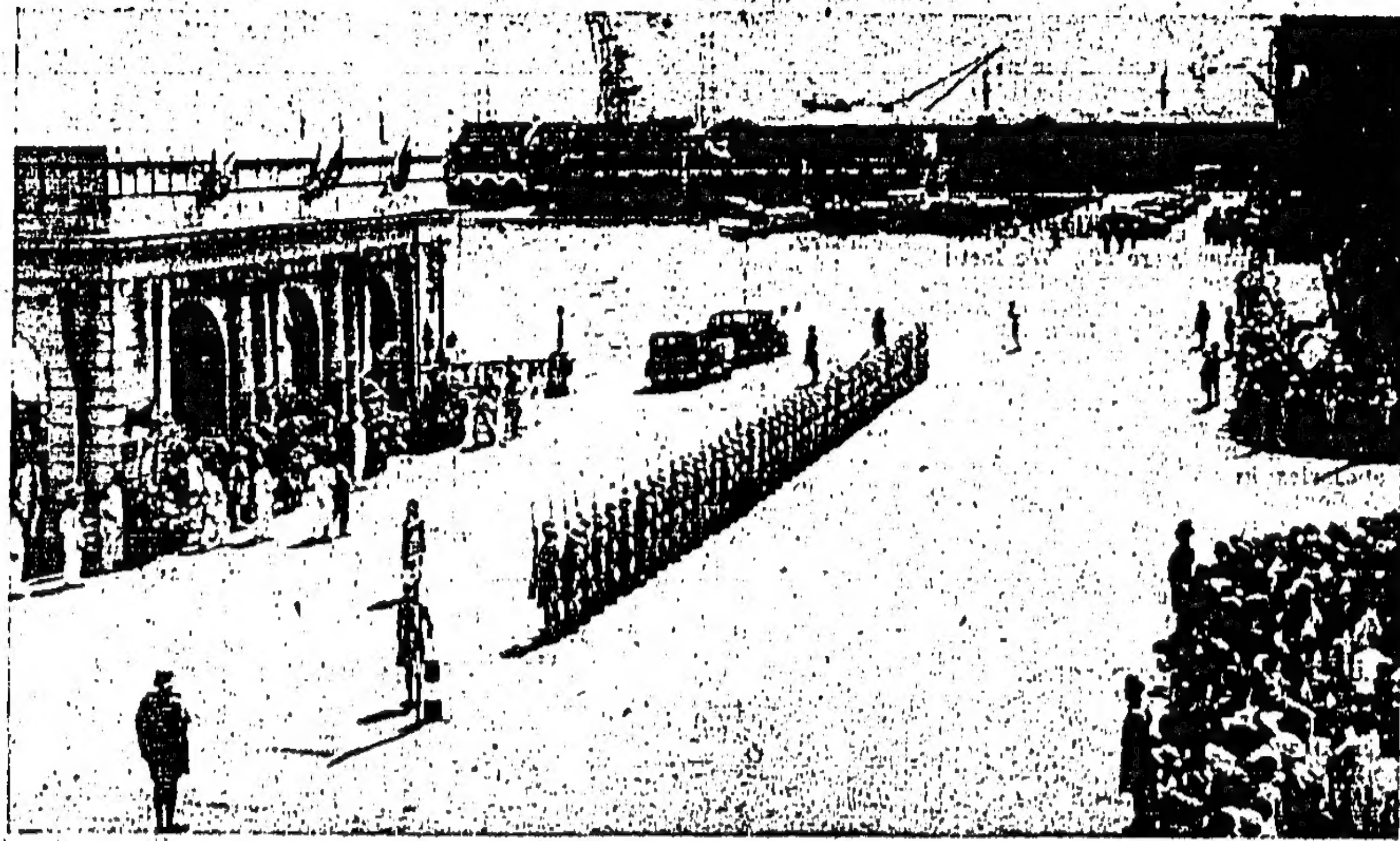
## Envoy Wounded In Britain

At Dutch Exercises  
LONDON, Sept. 10 (Reuter).—Mr. Anthony J. Drexel Biddle, United States Ambassador to the Allied Governments in London, was injured today while watching the manoeuvres of the Royal Netherlands Brigade in the Midlands. Mr. Biddle received a splinter in the leg and hand, and was the first casualty to be treated in an ambulance which, with two mobile canteens, were recently presented to the Brigade by the American people.

## Indian Lady's Courageous Stand

LAHORE, Sept. 10 (Reuter).—The Begum of Shah Nawaz has announced her decision not to resign from the Viceroy's National Defence Council in obedience to the demands of the Muslim League. She points out that she is not associated with the Council as a member of the Muslim League but in her capacity as a representative of the women of India.

## NEW GOVERNOR'S LANDING IN COLONY



Scene at Queen's Pier yesterday morning when Hongkong's new Governor, Sir Mark Young, K.C.M.G., landed to assume charge of the Colony's administration. His Excellency is standing at the salute before the main arch of the Pier as the guard of honour presents arms during the playing of the National Anthem. (Photo: Mee Cheung).

## Likely Nazi Peace Terms For France Revealed

FROM FRENCH FRONTIER, Sept. 10 (Reuter).—The preliminary Franco-German Peace Treaty, which it is believed Hitler had originally planned should take place for propaganda purposes within the framework of the big peace conference, has not yet received the official signature of the heads of the German and Vichy Governments.

According to political observers, plans for this conference, which was favoured by Ribbentrop, the German Foreign Minister, and Abetz, the German Ambassador to France, and Count de Brinon, the French envoy to occupied France, has been given up owing to opposition by Admiral Darlan.

An agreement in principle, however, as previously foreshadowed, has been drawn up on the following lines: German annexation of Alsace Lorraine; integrity of the French colonies; compensation for France by obtaining later the Walloon districts of Belgium and British West African colonies; no territorial concessions to Italy who is to receive Egypt as compensation; continuation of German occupation of Northern France, but the term "Occupying troops" to be replaced by "troops belonging to a friendly nation"; France to place all means of assistance at Germany's disposal.

French Fleet  
The fate of the French Fleet is wrapped in the deepest secrecy. Meanwhile negotiations aiming at the reduction of the costs of occupation, which remain at 400,000,000 francs daily, are still at a deadlock. Occupation costs have neither been reduced nor as the Germans originally wished transmuted into gold by foreign exchange payments.

Mr. Hsu Shih-ying, Acting Chairman of the National Relief Commission, celebrated his 69th birthday anniversary yesterday (Wednesday) receiving congratulations from more than 500 prominent Chinese who thronged in his residence at Austin Road, Kowloon.

## Strict Enforcement Of Freezing Order

LONDON, Sept. 10 (Reuter).—Asked in the House of Commons to-day for a statement on the trade barter agreement with Japan, Mr. Dingle Foot, Parliamentary Secretary to the Ministry of Economic Warfare, said that no general barter arrangement nor anything inconsistent with the strict enforcement of the freezing order had ever been contemplated.

The use of frozen funds for new exports to Japan was not permitted. If it should be found desirable exceptionally to license any particular imports from Japan, it would be a matter for consideration what exports should be allowed against such imports and how payment should be effected.

It was probably that this could best be done by setting up a separate clearing account if and when the need for it should arise. At present, however, no such imports have been licensed and consequently no question of payment arises.

## Russia To Have First Call On Aid

SPECIAL TO THE "TELEGRAPH"  
WASHINGTON, Sept. 10 (UP).—The defence oil co-ordinator, Mr. Jesse Jones, to-day said that the flow of American supplies to Britain may be necessarily decreased to some extent if United States assistance to Russia increases.

## Nazis Take Over Sardinia

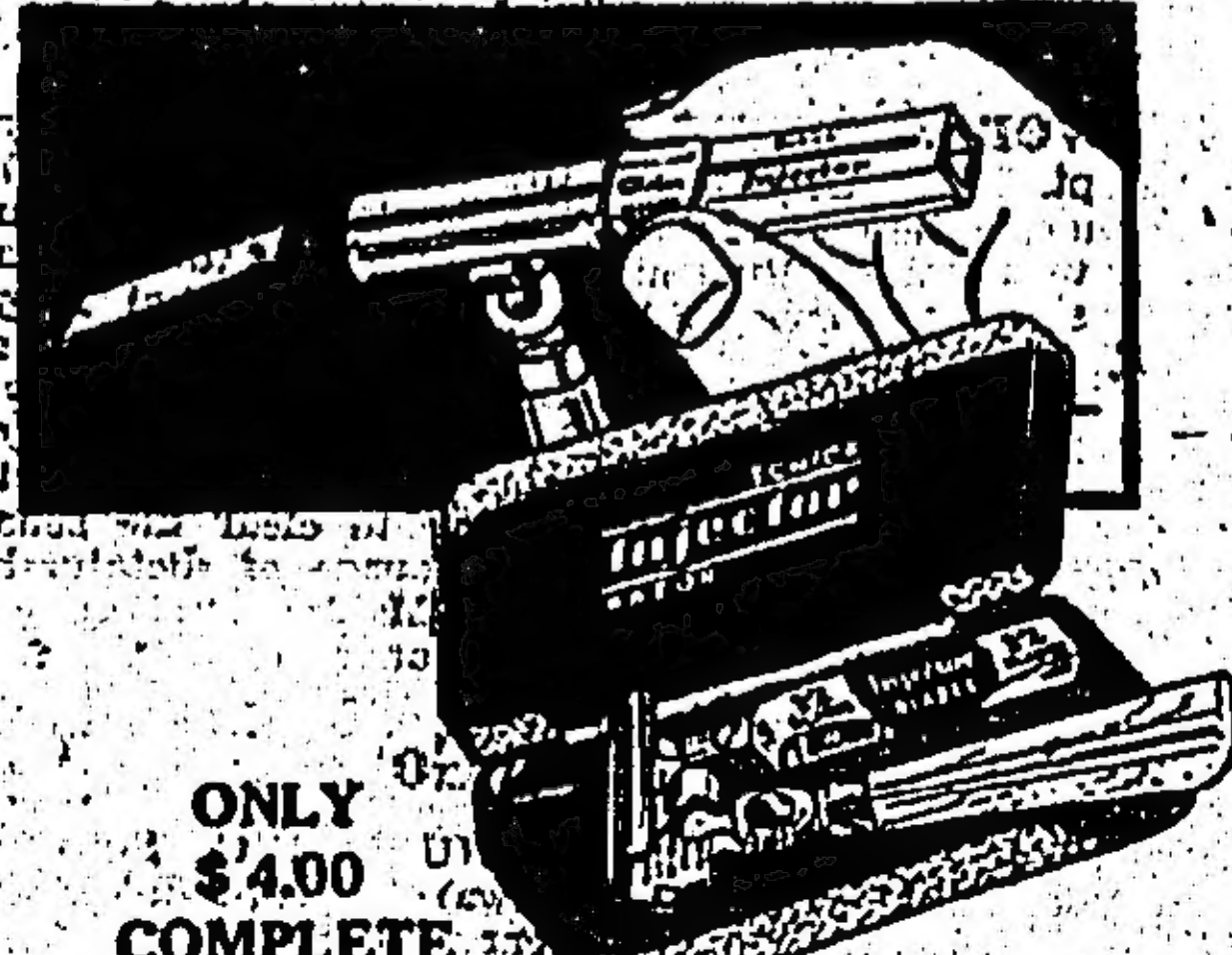
Italians Need Passes

LISBON, Sept. 10 (Reuter).—Some thousands of German troops have recently passed through Italy en route to Sardinia according to a traveller from Italy. He states that Sardinia is completely under German occupation and no Italian is allowed to enter the island without a pass so jealously is it guarded. It is believed that the Germans intend to reinforce the African front.

## New Zealand Navy Now "Royal"

WELLINGTON, Sept. 10 (Reuter).—Announcing His Majesty's approval of the New Zealand Navy henceforth being designated "Royal," the Acting Prime Minister, Mr. Walter Nash, said that all would be glad to associate themselves with this recognition of the war service of the New Zealand naval forces which the honour implied.

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The story women tell in whispers!  
**BETTE DAVIS**  
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The Old Maid  
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A LAUGH-SPILLED, SONG  
THRILLED TREAT FOR ALL  
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with Allan Jones, Susanna Foster, Margaret Jones, Margaret Lindsay  
A Paramount Picture

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THE GREAT AMERICAN  
MOTION PICTURE!  
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Thrill to the Joy and Tears of Girlhood's Years!  
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**ANNE SHIRLEY**  
OF  
**WINDY POPLARS**  
with JAMES ELLISON  
Heavy Travers, Patricia Knowles, Slim Summerville, Elizabeth Patterson, Lucie Campbell, Jean Carroll, Katherine Alexander, Miranda Morgan, Alice Joyce, Marie May Jones

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## Timoshenko's Forces Deal Crushing Blows

FROM PAGE ONE

the central sector, according to the official Russian news agency.  
**Nazi Claims Unconfirmed**  
MOSCOW, Sept. 10 (UP).—The German claims of the encirclement of Leningrad cannot be confirmed here. Dispatches report bloody battles without indicating the military positions.

The determination to defend the ancient capital house by house was reiterated at a radio meeting last night which was addressed to leading citizens, workers, engineers and soldiers. Engineer Nikolai Nizovkin said, "When the enemy is at the gates of Leningrad, when the rear of our non-reaches our homes, we stood fast in our fighting posts. Especially, we are entrusted with the task to forge terrible weapons for the Red army."

**Raid On Leningrad**  
MOSCOW, Sept. 11 (Reuter).—The following is the text of the mid-night communiqué issued by the Information Bureau:—

"During September 10, our troops continued to fight stubbornly against the enemy along the entire front. On September 8, German aircraft destroyed in air combat, and on enemy aerodromes were 59. We lost 27 planes. On September 9 German planes made several attempts to raid Leningrad, but every time were driven back by our air force and anti-aircraft fire. About 10 p.m. some isolated enemy planes broke through for Leningrad at high altitude and dropped high explosives and incendiaries in various parts of the city. Several fires broke out in dwelling houses as the result of the air raid."

"Our air force and anti-aircraft fire destroyed several planes on approaches to Leningrad, over the city and on enemy aerodromes."

**Battle Of Leningrad**  
BERLIN, Sept. 10 (UP).—The great Battle of Leningrad rages with undiminished fury according to competent German sources, with the Russians desperately defending every inch of ground on the city's main fortification lines.

There are no new reports of the progress of the land fighting, but competent German quarters claimed that the German-Finnish advance is proceeding according to plan, while the German press estimated that the ring is now drawn at all points within a 25 kilometer radius around the city.

Dispatches to the Propaganda Company reported that great fires are blazing on both sides of the Neva River where the Russians have set fire to all villages and farms as they retired. The Luftwaffe during the past few days has been carrying out non-stop mass attacks on the highways around the city, tearing up tracks and wrecking stations beyond recognition.

**Pressure Of Finns**  
NEW YORK, Sept. 10 (AP).—A London radio message picked up here said that the Russian-Finnish negotiations for a separate peace were interrupted due to "formidable pressure" from Berlin. It was added that they are expected to be resumed shortly.

The announcer said that Russia had accepted the restoration of the 1939 Finnish border as a basis for negotiations.

**China Will Never Waver—Says Chiang**  
FROM PAGE ONE

world is assured of a permanent and righteous peace.  
"At the same time, I hope and believe that while China is continuing her fight the economic sanctions directed against Japan by the United States and other nations friendly to China will be intensified or at least in no way relaxed. Such would be, I trust, the basis of understanding binding all nations interested in Pacific affairs that are committed to a policy of opposition to aggression."

The Generalissimo, warning those with short memories, said, "Since the invasion of Manchuria in 1931, the Japanese Government has been furthering a national policy and has employed the practice of alternating between a show of conciliation and open intimidation. On numerous occasions at least, the Chinese Government and the American Administration have been duped by this trickery. I am confident that the Governments of all friendly nations will show that they are benefited by their painful experiences in their dealings with Japan and will not permit themselves to again be lulled into a transitory false sense of security."

Dressed in a plain uniform, erect and vigorous, the Generalissimo discussed questions with animation, showing a keen grasp of the fundamentals of the Pacific situation. He smiled optimistically at several points during the interview.

**Laval's Assaultant Held Responsible**  
VICHY, Sept. 10 (Reuter).—Count de Brinon, the Vichy representative in occupied France, yesterday paid a visit to Laval whom he found walking about a Versailles hospital.

It is announced that Laval will return to Paris shortly and will stay there some days before going to his country home.  
The result of the medical examination of Laval and Deat, is said to have shown that he must be held fully responsible for his act.

**Large Convoy Crosses Atlantic Safely**  
LONDON, Sept. 10 (Reuter).—One of the largest convoys ever to cross the Atlantic recently reached a British port and its gigantic freight was unloaded and dispersed.

Not a ship or man of the convoy was lost, because a gale.

## STRONG FLEET IN EAST

The Australian Federal Cabinet is believed to consider that maximum naval strength at Singapore will deter indefinitely any Japanese desire to move further southwards writes the Melbourne special representative of the Sydney "Daily Telegraph."

Observers in Melbourne say that, as a result of Federal Government action last week, certain changes may have been made in the disposition of British naval forces.

One point on which Australia has made her attitude clear to other Governments is the need for maintaining the strongest possible naval force at Singapore, adds the "Telegraph" representative.  
It is believed that the Cabinet has decided that any British decision on an attitude toward Japan must be backed up by ability to take swift action, if necessary.

It is to make certain of concerted and effective action that the Australian Government has been in such close contact with the other Governments concerned.  
Important changes in the disposition of Australian armed forces might result from the presence of the former Prime Minister, Mr. R. G. Menzies, in Britain.

The Australian view is that a Japanese invasion of Thailand would be a direct threat to Singapore and the Netherlands Indies, and would have to be opposed vigorously.  
If a major clash were imminent, Australia would probably contend that Empire Far East defences should be of maximum strength, even at the cost of withdrawing men or ships from other places, adds the "Telegraph" writer.

## Craigengower Beat Kowloon In "C" League

Playing at home yesterday, Kowloon Cricket Club 24-0-0 in the "C" Division of the Tennis League.  
R. Kloss and D. Joyce (K.C.C.) lost to J. Howland and C. Yiu 5-6, 6-4, 6-3, 6-4; R. O. Brier and Fisher (K.C.C.) beat Howard and Yiu 7-5; best Ling and Tsai 0-6; best to Lee and Leonard 5-7; C. Ziemann and Oillard (K.C.C.) lost to Howard and Yiu 0-6; lost to Ling and Tsai 2-6; lost to Lee and Leonard 6-8.  
**ARMY WINS AT SOO LUN POO**  
Also in the "C" Division the Army Tennis Club, playing at home at Soolunpoo, beat the Chinese Recreation Club 10-0-1.  
Sgt Dunfield and S/Sgt Emberson (Army) beat T. F. Lo and H. N. Chau 6-4, 6-3, 6-2; and C. Yiu 6-4; beat P. H. Chiu and S. N. Li 6-1.  
Sgt Messon and Sgt Murray beat Lo and Chiu 6-4; and Wei and Chan 6-1; Sgt Webb and Sgt Denyer lost to Lo and Chiu 6-4; and Wei and Chan 6-4; beat Chiu and Li 6-4.

## Great Literature Predicted

SALT LAKE CITY, Utah (UP).—Julius Hilten, author of "Lost Horizon" and "Goodbye Mr Chips," predicted here that present wars eventually would be the inspiration for "Great Literature." However, he added, we are "now too close to see it in its true perspective."

## LATE NEWS

**Siege Of Tallinn**  
HELSINKI, Sept. 10 (UP).—Thousands of corpses are being washed up daily along the Estonian coast from Tallinn eastwards as gruesome evidence of the desperate efforts of roughly 40,000 Russian troops and evacuated civilians to escape from the German ring around Tallinn in the final days of the siege on the city, according to eye-witnesses who have just returned from Tallinn.  
One eye-witness told the "United Press" that he estimated that only 30 per cent. of the loaded ships escaped the German mines, bombers, artillery and naval units to reach Leningrad, and he believed that between twenty and thirty thousand men, women and children died, during the attempted evacuation.

## Planes Over Geneva

GENEVA, Sept. 10 (UP).—The steady sound of aeroplane motors was heard over Geneva for more than an hour beginning shortly before midnight. It is still impossible to check the direction of the planes, but it is believed that it is southeasterly.

## Evidence At The A.R.P. Inquiry

(Continued from Page 5.)

They did. They bought 5,000 from us. And these 5,000 which Marsman purchased from you had been bought by you previously for your own tunnelling work?—Yes.

Do you remember what price you paid for this timber?—\$5.20 for each place.

And you subsequently sold that to Marsman's for the same price?—Yes. They took it away very shortly after we had taken delivery.

And when did Marsman's pay you?—Shortly some time after.

And Marsman's charged Government 10 per cent. on that?—Yes.

"This Very Happy Position"  
So we have this very happy position: Kin Lee provided the capital to buy 5,000 sleepers and then sold them to Marsman's to allow them to get 10 per cent. from the Government, is that right?—What could we do, since Mr Campbell refused to let us have the 10 per cent.

But that is the position which appears, isn't it?—Yes.

Is it usual for Kin Lee to supply capital for purchases for a rival firm?—No.

Have they ever done that before?—No.

**Lodged Protest**  
Why didn't you protest to the Director of Public Works about that?—I did lodge a protest with Mr Campbell.

And what did he say?—He said that when we purchased materials from Marsman's they never charged us.

Did you tell Mr Campbell that under the terms of the contract you were entitled to 10 per cent. as you bought the timber for tunnelling work?—I did point that out but he refused to let us have it, so what could we do?

Is that the only article you have ever sold to Marsman's?—I don't think anything else, I cannot remember.

Did you hire any machinery to Marsman's?—Yes, one set of air compressors.

Who made the arrangements for the hire?—Mr Campbell.

Did he deal directly with Marsman's over this matter?—That I don't know.

There is no correspondence between you and Marsman's with regard to this hire, is there?—No.

Hearing was then adjourned to 3.30 p.m.

## Vital War Needs Being Produced

NEW YORK, Sept. 10 (Reuter).—Mr Jesse Jones, Secretary of Commerce and Federal Loan Administrator, announced to-day that the Defence Plant Corporation is financing the additional production of 30,000,000 lbs of aluminium and 112,000,000 lbs of magnesium at a cost \$72,000,000. This will bring the total aluminium capacity to 1,130,000,000 lbs.

**Expansion**  
WASHINGTON, Sept. 10 (Reuter).—The Supply Priorities and Allocations Board has instructed its Executive Director, Mr D. M. Nelson, to work out a complete schedule of the nation's military and civilian requirements in an effort to solve problems pertaining to shortage of materials and expansion of production facilities.

The plan will incorporate the needs of the United States Army, Navy and Air Force, and such goods as are to go to Britain and other countries covered by the Lend-Lease Act.

## INDIAN FIRM'S DONATION TO BOMBER FUND

Messrs. Uthmaniyah and Asudamat Company sent in their second donation of \$500 to the Bomber Fund yesterday. The same time intimating that they will subscribe \$100 a month while the fund exists. The Police Recreation Club forwarded a further donation of \$250, being the result of a raffle for a case of beer donated by Messrs. Coldbeck, Macgregor & Co. Ltd. The twelfth donation of \$75 was also received from the Family. The fund has now reached a total of \$2,518,918.82, the following being the latest donations: Messrs. Uthmaniyah and Asudamat Co. (second donation) \$500  
Some Bowling Members of the I.C.C.C.  
Police Recreation Club Raffle (Case of Beer presented by Messrs. Coldbeck Macgregor & Co. Ltd) 250  
Police Recreation Club Bomb 50  
Police Recreation Club Music Box 50  
H.C.V.D.C. (Chinese) Club 25  
Mr. J. D. McClatchie (monthly donation) 20  
Mr. G. B. P. Heywood (third donation) 20  
The Family (monthly donation) 75  
Sale of Shanghai R.A.F. Association 20  
Badges (One for \$5 and 2 @ \$2 each) 0

## Modern Knights Of St John

MALTA, Sept. 10 (Reuter).—A shield inscribed "In Token of Appreciation and Gratitude for the Brilliant Services rendered in Defence of these Islands" was presented to the R.A.F. and Fleet Air Arm by the Anglo-Maltese League yesterday in the name of the people of Malta.  
Air Vice-Marshal Lloyd, replying to the speech by the President of the League, said: "We have been called Knights of St John—they cleared the seas of the scourge of piracy. Our task is to clear the seas and air of the scourge of dictatorship, and we will. Malta and its history is an inspiration to us all."

## Gold From China

CHUNGKING, Sept. 11 (Central News).—The production of gold last year was seven times that before the war and was officially estimated to be worth more than \$200,000,000.  
Numerous organisations for gold mining are now in existence in Szechwan, Szechuan, Hunan, Kwelchow, Yunnan and Chinghai. With Government financial and technical aid, it is believed that gold production will further be increased in the future.

## QUEEN'S & ALHAMBRA

SHOWING TO-DAY AT 2.30, 5.30, 7.45 & 9.45 P.M.

A BRAND-NEW KIND OF MUSICAL... WITH THAT DORSEY BRAND OF SWING!

**"LAS VEGAS NIGHTS"**

HEAR: 6 Famous Dorsey Swing Arrangements! A Brand-New Hit Tunes!

Tommy DORSEY • Bert WHEELER  
And His Orchestra  
CONSTANCE MOORE • PHIL REGAN  
BETTY BREWER • LILLIAN CORNELL  
VIRGINIA DALE • RED DONAHUE  
and his male "UNO"

Directed by RALPH MURPHY • A Paramount Picture

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At the  
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THEATRE  
MATINEES: 30c-40c. EVENINGS: 30c-40c-60c-70c  
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TO-DAY & TO-MORROW  
A Vital Human Drama, Great in Its Simplicity!

"You're leaving me for a dream that's less real than this moonlight falling around us..."

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**THE GREAT COMMANDMENT**  
A picture unlike any you have ever seen!

Added Attraction:  
**LATEST MOVIE TONE NEWS**  
FIRST PICTURES OF WAR IN RUSSIA!  
Directly After King's Theatre

COMMENCING SATURDAY  
The Most Explosive and Hilarious Comedy of 1941!

SHE LOVES HIM! SHE HATES HIM!  
—and YOU have all the fun!

ROBERT LOMBARD  
ROBERT MONTGOMERY

Directed by ALFRED HITCHCOCK  
With GENE RAYMOND  
JACK CARSON  
PHILIP MINTY  
LUCILE WATSON

Story and Screen Play by NORMAN KRASNA

SHOWING TO-DAY  
**LEE THEATRE**  
DAILY AT 2.30, 5.30, 7.45, 9.30 P.M.  
A CHINESE PICTURE IN MANDARIN  
獄地島孤

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